



Quarterly Performance Review
Quarter 1 : 2015-16
Mumbai, 7th August, 2015

Grasim Industries Limited
A VSF and Cement Major

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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,
EBIDTA : Earnings before Interest, Depreciation and Tax and Amortisation, ECU : Electro Chemical Unit
ROAvCE : Return on Avg. Capital Employed, RONW : Return on Net Worth

Indian Economy

- Macro economic indicators have improved supported by decline in Energy prices
 - CAD at 1.3% of GDP in FY 15, lowest since FY 08
 - CPI remains range bound at around 5% , WPI is negative
- Economic activity showing signs of recovery
 - IIP has been recovering, albeit unevenly
 - Capital goods showing healthy growth since Jan 15
 - Gross tax revenue increased by 12.8% in Apr-May 15
- Decline in exports by ~ 17% in current quarter remain a concern
- Resolution of Greece crises should reduce uncertainty in Euro zone, a large market for Textiles



VSF Business

2nd Largest Globally
Capacity 498K TPA

Increase in global prices in Q1FY16 after prolonged decline

- Uptick in PSF & Cotton prices
- Rise in raw material cost in China

Sales Volume

102,737 MT
(Up by 19% YoY)

Revenue

₹ 1,254 Cr.
(Up by 15% YoY)

EBITDA

₹ 139 Cr.
(Up by 72% YoY)

Successful ramping up of Vilayat plant

- Achieved ~82% capacity utilisation

EBITDA Margin 11.0%

(Q1 LY 7.3%)



Chemical Business

**Largest Chlor-Alkali
Manufacturer in India**

**Caustic prices improved sequentially with increase in
international prices**

Sales Volume

98,055 MT
(Q1 LY : 97,678)

Revenue

₹ 485 Cr.
(Up by 17% YoY)

EBIDTA

₹ 94 Cr.
(Up by 3% YoY)

Update on merger of ABCIL with Grasim

- Approval received from shareholders and creditors of both Companies
- Petition filed with respective High Courts, CCI approval is in process
- Expected to be completed by Q3FY16 (w.e.f. the appointed date 1st April 2015)

Post merger, caustic soda capacity to increase from 452K TPA to 804K TPA

ABCIL Q1FY16 EBITDA ₹ 78 Cr. (up 5%) and PAT ₹ 20 Cr. (up 40%)

- Not part of Grasim Results

UltraTech
CEMENT
The Engineer's Choice



Cement Business

**Market leader
in India**

Prices remained under pressure
- Overcapacity and lower offtake

Sales Volume
13.0 Mn. Tons
(Up by 4% YoY)

Revenue
₹ 6,432 Cr.
(Up by 7% YoY)

EBIDTA
₹ 1,282 Cr.
(Q1 LY : ₹ 1,296 Cr.)

Update on Acquisition of MP cement units of Jaiprakash Associates

- Approval received from CCI, shareholders and creditors of both Companies
- High Courts approval is in process
- Benefits expected to start from Q4FY16

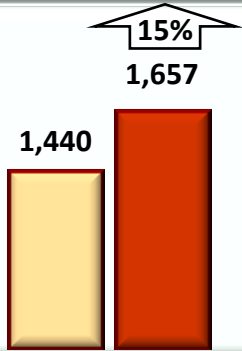
On commissioning of Grinding units under construction and above acquisition, domestic capacity to reach 71 Mn. TPA from 60 Mn. TPA

Financial Performance

Standalone

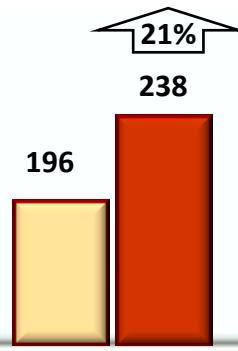
Amount in ₹ Cr.

Revenue



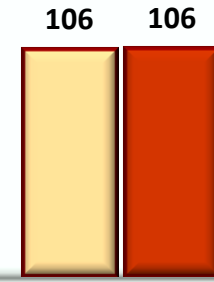
Q1FY15 Q1FY16

EBITDA



Q1FY15 Q1FY16

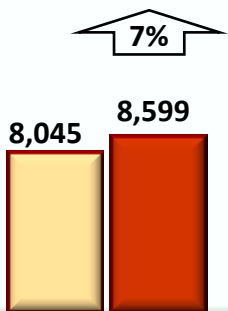
Net Profit



Q1FY15 Q1FY16

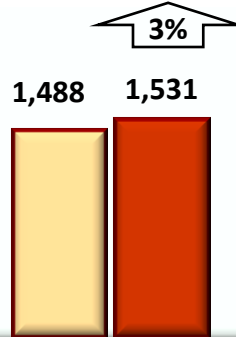
Consolidated

Revenue



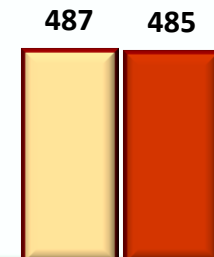
Q1FY15 Q1FY16

EBITDA



Q1FY15 Q1FY16

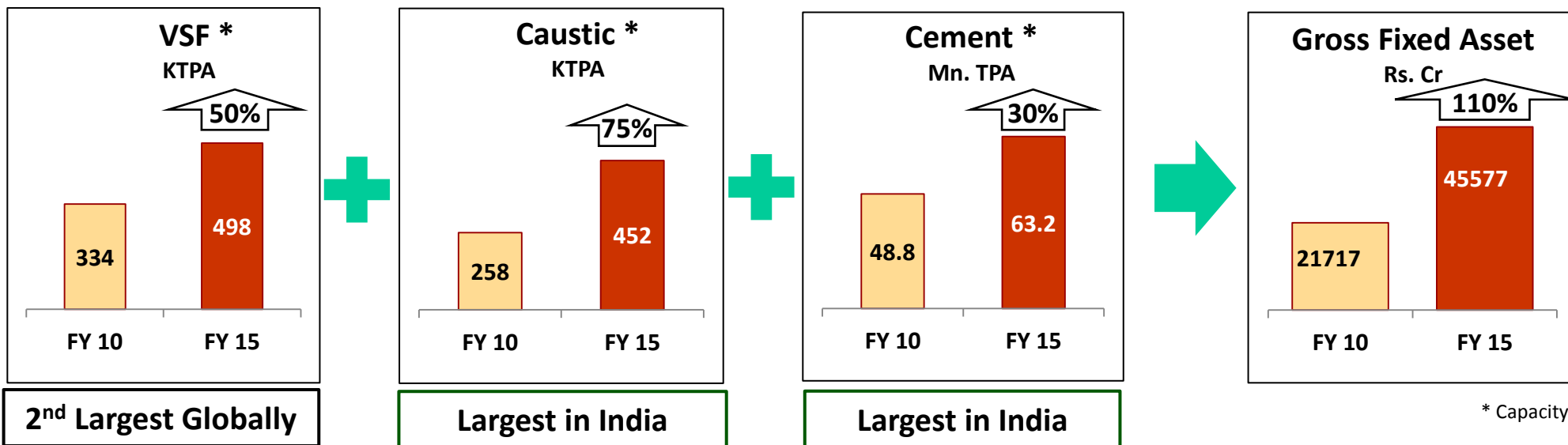
Net Profit



Q1FY15 Q1FY16

Investment in Growth

Substantial Investment made across Businesses – US\$ 4 Bn. over last five years.....



.....Balance Sheet Continues to be Strong – Net worth of ~ US\$ 4 Bn.

- Consolidated Nos.
 - Capital Employed ₹ 46,524 Cr.
 - Net Debt at ₹ 5,296 Cr. (Net surplus of ₹ 268 Cr. at standalone level)
 - Net Debt / Equity : 0.17
 - Net Debt / EBITDA : 0.86
- Q1 FY16 Return Ratio (consolidated) :
 - ROAvCE : 10.6%, RONW : 8.3%

Full Benefit to flow with ramping up of capacity utilisations and expected upturn in business cycle

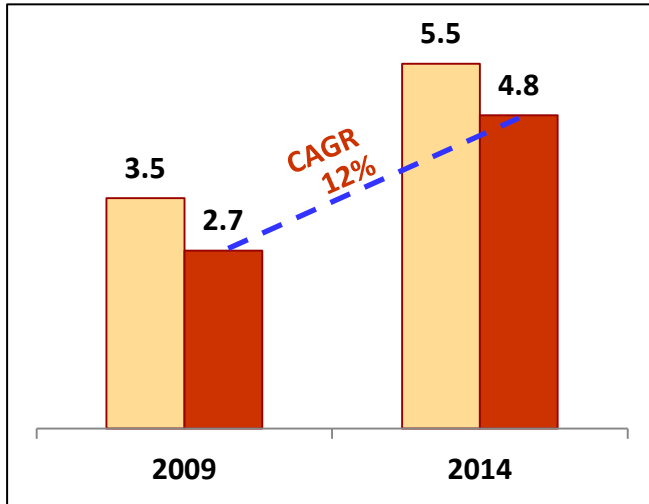
Business Performance

- VSF
- Chemical
- Cement

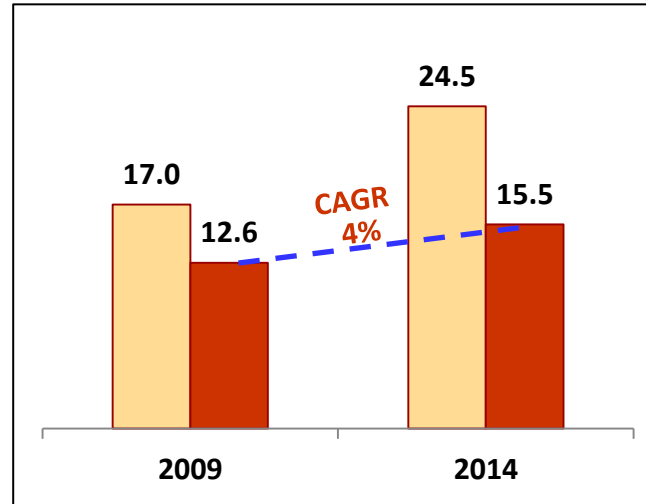
VSF : Fastest Growing Fibre

(Mn. Ton)

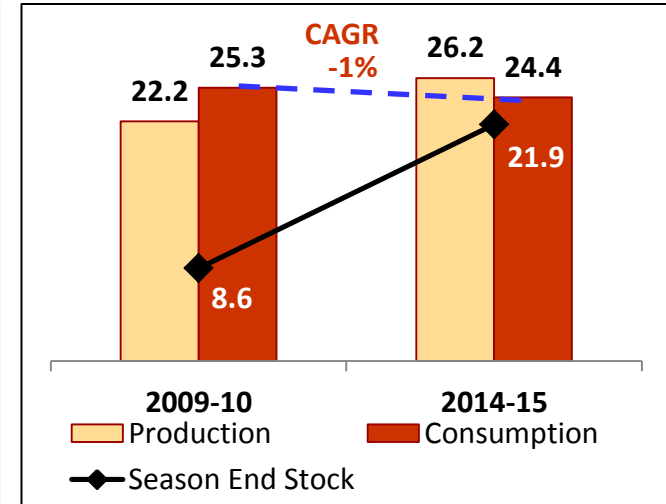
VSF



PSF



Cotton

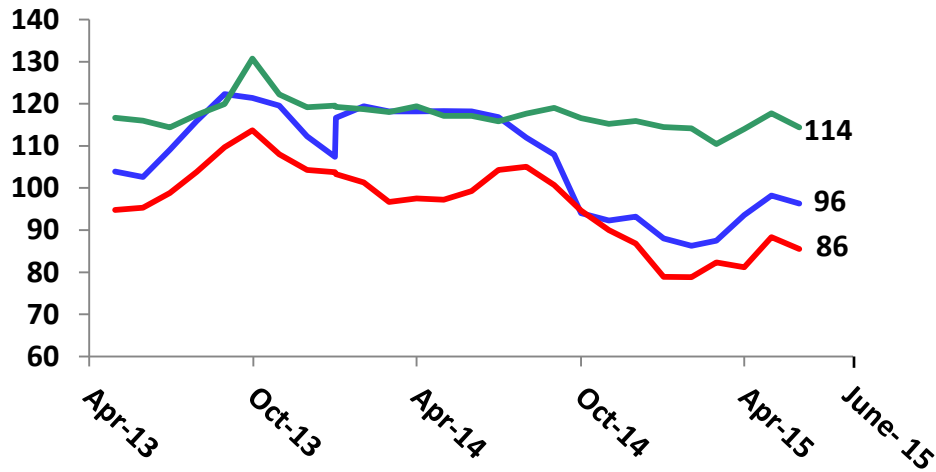


Capacity Demand

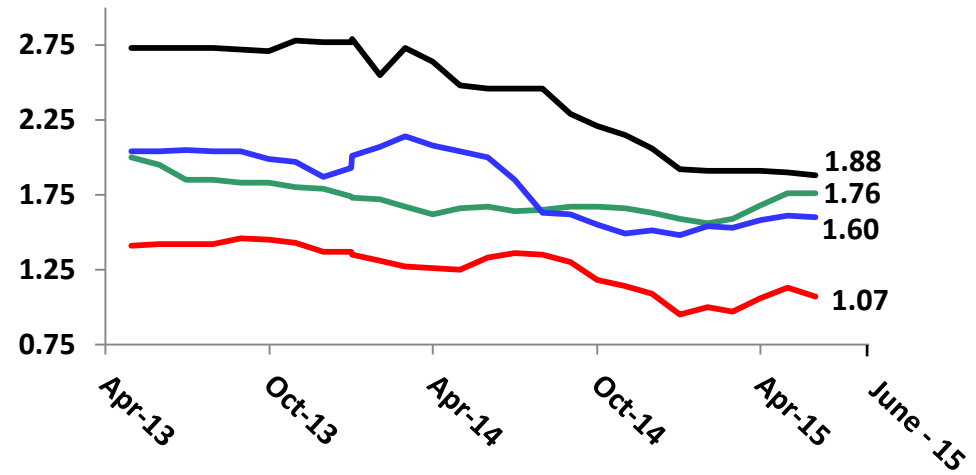
- Overcapacity across Fibres
- VSF fastest growing among competing fibres
 - Rising prosperity in emerging economies
 - High cotton prices in China lead to substitution

Textile Fibres Price Trend

Domestic Fibre Prices (₹ /Kg.)



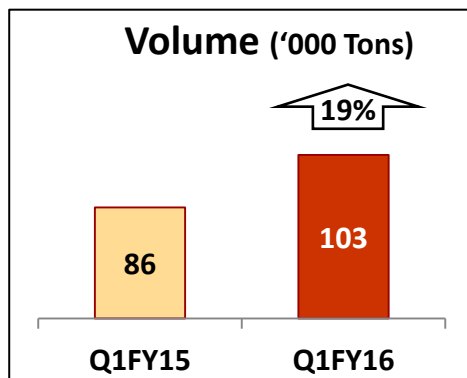
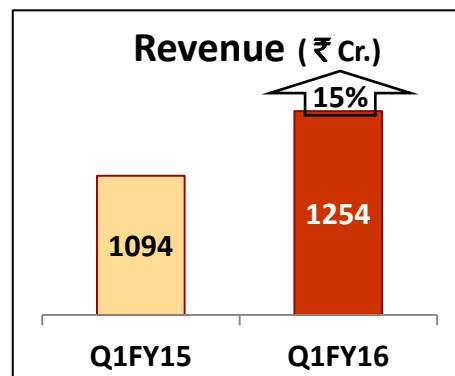
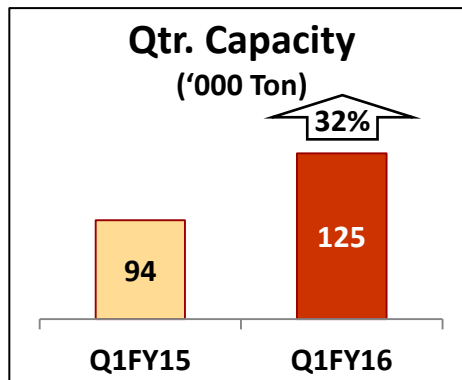
Global Fibre Prices (\$/Kg.)



Grey VSF Cotton PSF Chinese cotton

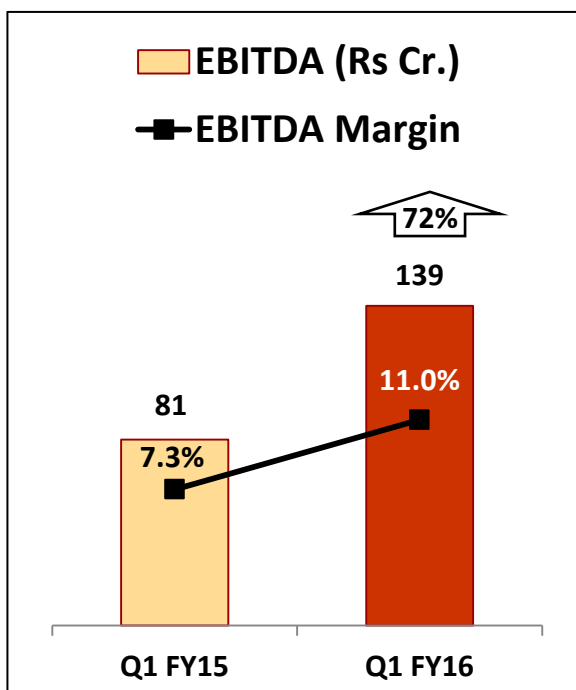
FY15 saw decline in Global Prices - PSF 15%, Cotton 16%, VSF 10%
Uptick seen in prices in Q1 FY16

VSF : Performance



- Sales volume up by 19% with ramping up of Vilayat plant
 - Vilayat plant achieved 82% utilisation
 - Nagda plant shutdown for 2 months (due to water shortage) restricted volume growth
- Business development activities coupled with LIVA brand launch supported increase in domestic volumes
- Realisation increased on sequential basis with improvement in global prices
 - Declined on YoY basis
 - Subdued competing fibre prices
- Revenue increased by 15% on back of higher volumes

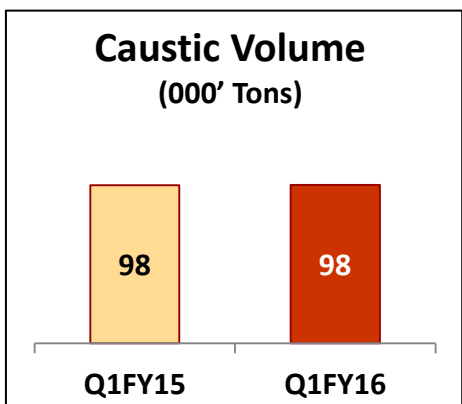
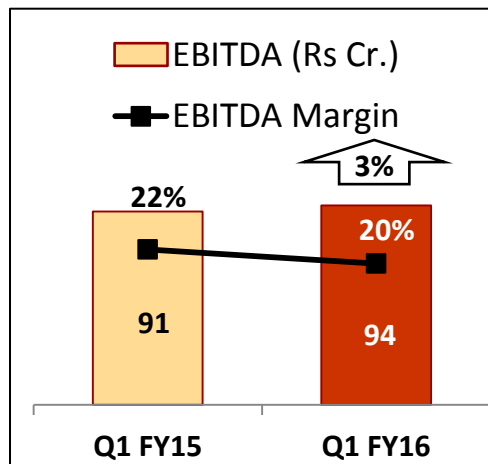
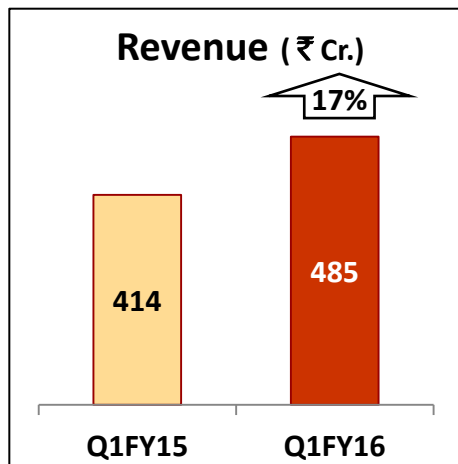
VSF : Performance



- Standalone EBITDA increased by 72%
 - Higher volumes
 - Improved margins from 7% to 11%
 - Lower pulp and other input cost
 - Operational efficiency gains

- Pulp and Fibre JVs performance :
 - EBIDTA improved from ₹ (28 Cr.) to ₹ (1 Cr.)
 - Improved performance from Birla Jingwei (Chinese Fibre JV)
 - AV Terrace Bay (Paper pulp mill) reports positive EBIDTA with higher production, sales and realisation

- Prices likely to be influenced by
 - Development in the down stream industry
 - Resumption of operations at some of the shut capacities and increase in raw material prices in China
 - Competing fibre prices showing weakness
- Concerted market and product development activities by Grasim for demand expansion in domestic segment
 - Liva brand to improve usage of VSF products
 - Continued focus on improving quality and share of specialty products
 - Commencement of specialty product at Vilayat unit to improve volume and realisation



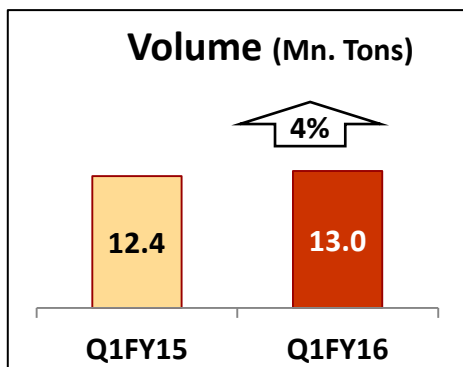
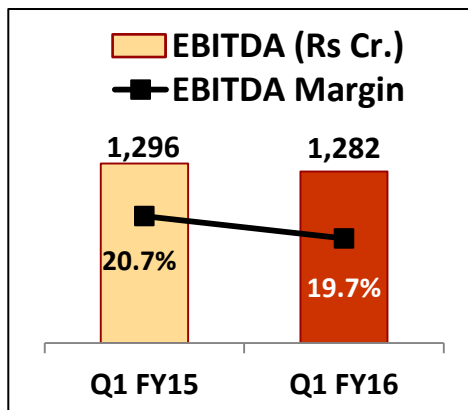
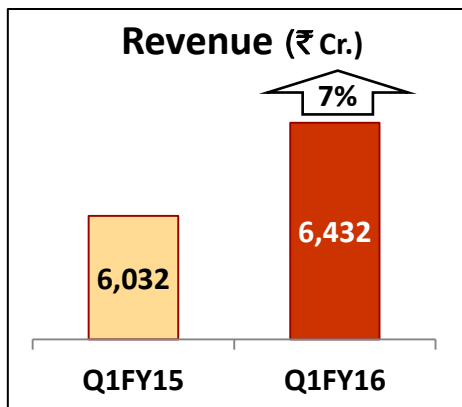
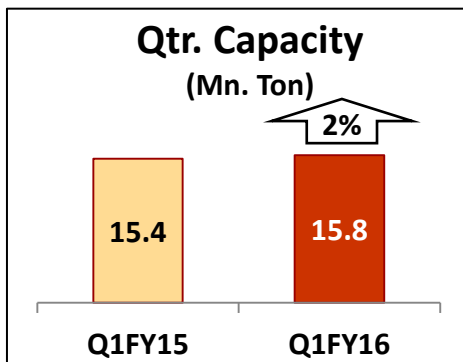
Industry Scenario

- Caustic prices improved sequentially with increase in international prices

Business Performance

- Revenue increased by 17%
 - Epoxy volumes almost doubled
 - Caustic Sales volume maintained
 - Vilayat plant achieved 95% capacity utilisation
- Realisation lower by 7% YoY
 - Higher imports of caustic
 - Lower chlorine demand
- EBITDA up by 3% at ₹ 94 Cr
 - Improved performance of Epoxy
 - Impact of lower production at Nagda offset by higher production at Vilayat

Cement : Performance



Industry Scenario

- Industry off take estimated flat for the quarter
- Low capacity utilisation for the sector
- Prices remained under pressure

Business Performance

- Revenue up by 7%
 - Volume growth of 4% despite slowdown
- Capacity utilisation for the Indian operations at 80%
- EBITDA maintained at ₹ 1,282 crore
 - Subdued cement prices
 - Logistic cost up 11% due to increase in rail freight and change in sales pattern & mix
 - Raw material cost up 6% with hike in limestone royalty
 - Saving in energy cost by 7% with higher usage of petcoke and decline in fuel prices

Cement : Outlook

- Cement demand expected to pick-up from H2 FY16
- Cement demand growth drivers :
 - Government focus on infrastructure development with higher budgetary allocation for roads, dedicated freight corridor, irrigation, port etc.
 - Expected demand from “Smart Cities” and “Housing for all” initiatives – recently Government released overall approach and guidelines
 - Initiation of various reforms boosting business sentiments
 - Softening of interest rates
- Capacity utilisation to improve gradually
 - Expected increase in demand
 - Slowdown in capacity creation, constrained by current profitability and long gestation period
- Softening of energy prices in global markets augur well for the Cement sector
- UltraTech Capacity to reach ~75 Mn. TPA on completion of :
 - Grinding units in West Bengal, Bihar and Haryana (6 Mn. TPA)
 - Acquisition of JAL’s Bela and Sidhi Plants in MP (4.9 Mn. TPA)

Capex

	Capex (Net of CWIP as on 01-04-15)	Cash Outflow		Capex spent during Q1FY16
		FY16	FY17 onward	
<u>Standalone</u>				
VSF Expansion : Vilayat (120K TPA) – Residual Capex	157			
Nagda Revamp	149			
Normal Capex : VSF	261			
: Chemical & Others	153			
Standalone Capex (A)	720	460	260	80
<u>Cement Subsidiary : UltraTech</u>				
Capacity expansion #	1,676			
Logistic Infrastructure	658			
RMC Business	117			
Modernisation, Upgradation and others (Incl. Land)	2,434			
Cement Business Capex (B)	4,885	3,045	1,840	620
Capex (A + B)	5,605	3,505	2,100	700

Represents residual capex of brownfield expansion projects already commissioned and Grinding units in WB, Haryana and Bihar

Above capex does not include investments for Cement and Chemical acquisitions



Summary

- Achieved improved performance amidst challenging market conditions
- Leadership position across businesses further strengthened with large investment in growth
- Company well poised to reap benefits of the investments with
 - Ramping up of capacity utilisation
 - Expected upturn in business cycle led by accelerated growth in the economy

Thank You

Grasim Industries Limited

Annexure - Financials



Annexure

- **Consolidated Financial Performance**
- **Standalone Financial Performance**
- **Balance sheet**
- **Profitability Trend**
- **Revenue & PBIDT Chart**
- **VSF Summary**
- **Chemical Summary**
- **Cement Summary**
- **Organisational Structure**
- **Plant Locations**



Consolidated Financial Performance

	Quarter - 1		% Change	(₹ Cr.) Full Year 2014-15
	2015-16	2014-15		
Net Sales & Op. Income	8,599.1	8,045.0	7	32,847.4
Other Income	113.9	269.6	(58)	539.0
EBITDA	1,531.0	1,487.8	3	5,683.4
EBITDA Margin (%)	17.6%	17.9%		17.0%
Finance Cost	171.3	126.5	35	667.4
Depreciation	403.0	357.8	13	1,563.2
Earnings before Tax (Before exceptional item)	956.6	1,003.6	(5)	3,452.8
Exceptional item	-	-		(9.5)
Earnings before Tax	956.6	1,003.6	(5)	3,443.3
Total Tax	281.1	304.1	(8)	1,015.9
PAT (Before Minority Share)	675.6	699.5	(3)	2,427.4
Add: Share in Profit of Associates	43.9	37.9	16	154.2
Less: Minority Share	234.8	250.3	(6)	837.9
PAT (After Minority Share)	484.7	487.1		1,743.8
EPS	52.7	53.0		189.6
Cash Profit (Before Minority Share)	1,311.0	1,388.6	(6)	5,142.7



Standalone Financial Performance

	Quarter 1		% Change	(₹ Cr.)
	2015-16	2014-15		Full Year 2014-15
Net Sales & Op. Income	1,657.2	1,439.5	15	6,332.6
Other Income	21.9	55.1	(60)	348.1
EBITDA	237.5	196.0	21	1,013.0
EBITDA Margin (%)	14.1%	13.1%		15.2%
Finance Cost	13.7	5.6		39.3
Depreciation	78.7	52.9	49	262.5
Earnings before Tax (Before exceptional item)	145.1	137.4	6	711.2
Exceptional item	-	-		(26.2)
Earnings before Tax	145.1	137.4	6	684.9
Tax Expense	39.3	31.6	25	155.0
PAT	105.8	105.8		529.9
EPS	11.5	11.5		57.6
Cash Profit	223.8	190.2	18	973.7

Balance Sheet

Standalone			Consolidated	
30 th June'15	31 st Mar'15		30 th June'15	31 st Mar'15
		EQUITY & LIABILITIES		
11,291	11,183	Net Worth	23,697	23,140
-	-	Minority Interest	7,918	7,682
1,040	1,115	Borrowings	11,305	11,930
654	615	Deferred Tax Liability (Net)	3,604	3,410
1,495	1,454	Liabilities & Provisions	8,450	7,873
14,480	14,367	SOURCES OF FUNDS	54,974	54,035
		ASSETS		
5,124	5,188	Net Fixed Assets	28,694	28,550
583	522	Capital WIP & Advances	3,750	3,507
-	-	Goodwill on Consolidation	3,320	3,283
		Investments		
2,636	2,636	Cement Subsidiary	-	-
1,308	1,096	Liquid Investments	6,009	5,790
1,593	1,618	Other Investments	1,480	1,465
3,236	3,307	Current Assets, Loans & Advances	11,721	11,440
14,480	14,367	APPLICATION OF FUNDS	54,974	54,035
(268)	19	Net Debt	5,296	6,140



Profitability Trend

	Standalone				Consolidated				(₹ Cr.)
	FY	FY	FY	Q1	FY	FY	FY	Q1	
	2012-13	2013-14	2014-15	2015-16	2012-13	2013-14	2014-15	2015-16	
Net Turnover & Op. Income	5,255	5,604	6,333	1,657	27,909	29,324	32,847	8,599	
EBITDA	1,523	1,246	1,013	238	6,543	5,491	5,683	1,531	
EBITDA Margin (%)	26.8	20.8	15.2	14.1	22.9	18.4	17.0	17.6	
Finance Cost	39	42	39	14	324	447	667	171	
EBDT	1,484	1,205	974	224	6,219	5,044	5,016	1,360	
Tax Expenses	303	89	155	39	1,467	735	1,016	281	
PAT # (After Minority Share)	1,022	896	556	106	2,500	2,072	1,753	485	
EPS (₹) #	111.3	97.5	60.5	11.5	272.3	225.5	190.8	52.7	
DPS (₹)	22.5	21.0	18.5	-	--	--	--	--	
ROAvCE (PBIT Basis - Excl. CWIP)(%)					17.1	12.1	10.5	10.6	
RONW (%) #					13.6	10.0	7.8	8.3	
Interest Cover (x)	21.3	13.2	13.8	14.7	10.6	9.0	6.8	7.5	

before exceptional / extraordinary gain



Revenue Chart

(₹ Cr.)

	Quarter 1		%	Full Year 2014-15
	2015-16	2014-15	Change	
Viscose Staple Fibre	1,254	1,094	15	4,974
Chemical	485	414	17	1,701
Others	25	26		89
Eliminations (Inter Segment)	(107)	(95)		(431)
Standalone Net Revenue	1,657	1,440	15	6,333
<u>Subsidiaries</u>				
Cement	6,432	6,032	7	24,349
Textiles	90	104	(13)	464
Pulp JVs and Fibre JV (Pro Rata)	499	549	(9)	2,072
Eliminations (Inter Company)/Others	(79)	(80)		(369)
Total for Subsidiaries & JVs	6,942	6,605	5	26,514
Consolidated Net Revenue	8,599	8,045	7	32,847



EBITDA – Chart

EBIDTA	Quarter 1		%	Full Year 2014-15
	2015-16	2014-15	Change	
Viscose Staple Fibre	139	81	72	465
Chemical	94	91	3	292
Others	5	24	(80)	257
Standalone EBITDA	238	196	21	1,013
<u>Subsidiaries</u>				
Cement	1,282	1,296		4,776
Textiles	5	8	(29)	33
Pulp JVs and Fibre JVs (Pro Rata)	(1)	(28)		22
Eliminations (Inter Company)/Others	7	17		(117)
Total for Subsidiaries & JVs	1,294	1,292		4,670
Consolidated EBITDA	1,531	1,488	3	5,683

(₹ Cr.)

Viscose Staple Fibre : Summary

		Quarter 1		% Change	Full Year 2014-15
		2015-16	2014-15		
Capacity*	TPA	1,24,550	94,440	32	4,33,600
Production	MT	93,541	89,827	4	4,08,332
Sales Volumes	MT	1,02,737	86,389	19	4,02,802
Net Revenue	₹ Cr.	1,254	1,094	15	4,974
EBITDA	₹ Cr.	139	81	72	465
EBITDA Margin	%	11.0%	7.3%	--	9.3%
EBIT	₹ Cr.	88	54	62	305
Capital Employed (Incl. CWIP)	₹ Cr.	5,120	5,038	2	5,282
ROAvCE (Excl. CWIP)	%	7.3%	6.8%	--	7.5%

* Operational capacity during the period

Chemical : Summary

		Quarter 1		% Change	Full Year 2014-15
		2015-16	2014-15		
Capacity	TPA	1,13,125	1,13,125	-	4,52,500
Production	MT	99,463	1,00,163	(1)	4,11,738
Sales Volumes	MT	98,055	97,678	-	4,09,220
Net Revenue	₹ Cr.	485	414	17	1,701
EBITDA	₹ Cr.	94	91	3	292
EBITDA Margin	%	19.3%	22.0%	--	17.1%
EBIT	₹ Cr.	70	67	-	198
Capital Employed (Incl. CWIP)	₹ Cr.	1,949	1,870	4	1,922
ROAvCE (Excl. CWIP)	%	15.1%	14.9%	--	10.9%



Cement : Summary

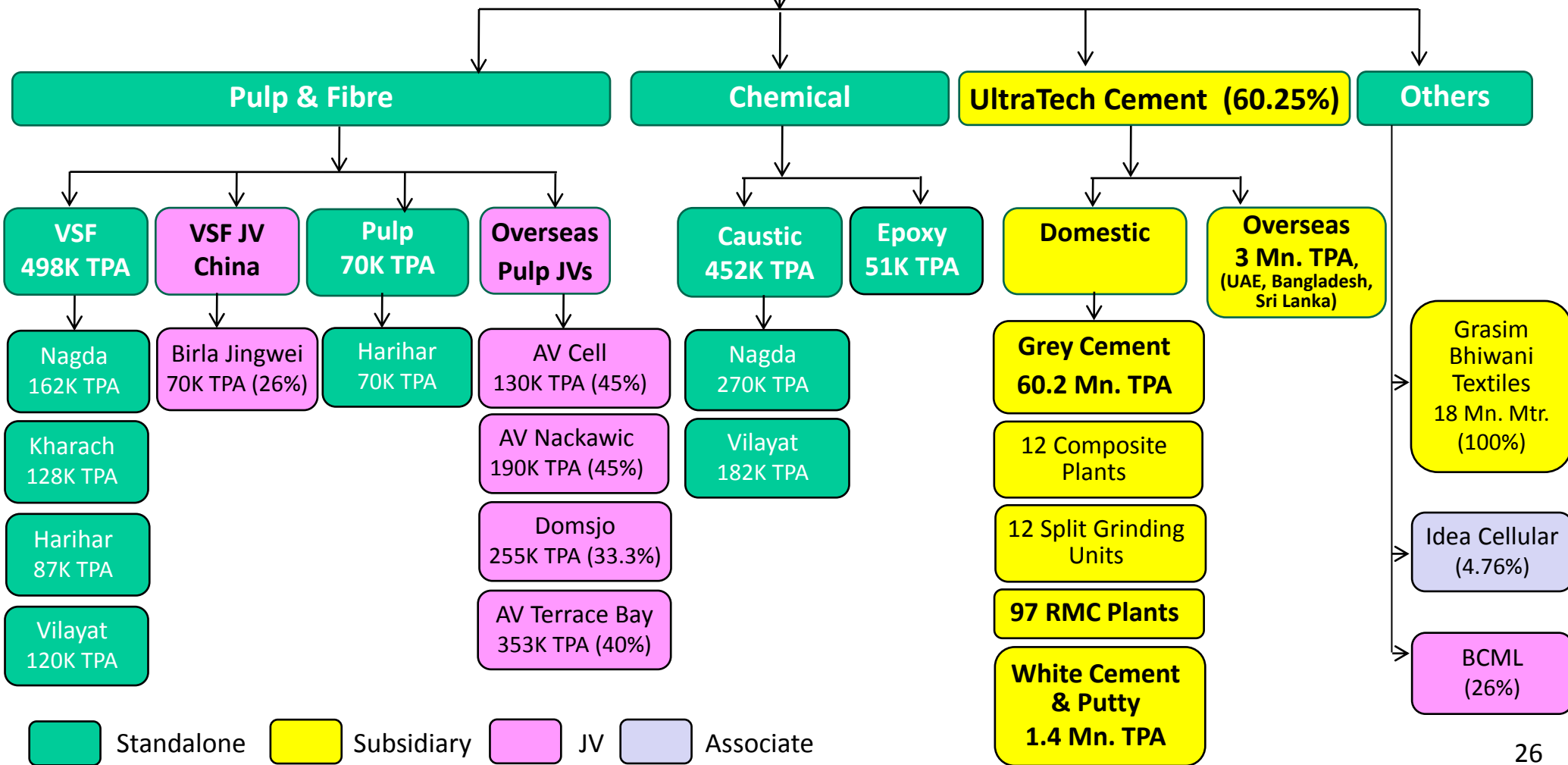
		Quarter 1		% Change	Full Year 2014-15
		2015-16	2014-15		
<u>Grey Cement</u>					
Capacity	Mn. TPA	15.80	15.43	2	63.15
Production	Mn. MT	12.85	12.04	7	46.71
Cement Sales Volumes ^{\$}	Mn. MT	12.87	12.17	6	47.09
Clinker Sales Volumes	Mn. MT	0.08	0.25	(68)	1.08
<u>White Cement & Putty</u>					
Sales Volumes ^{\$\$}	Lac MT	2.67	2.57	4	12.24
Net Revenue	₹ Cr.	6,432	6,032	7	24,349
EBITDA	₹ Cr.	1,282	1,296		4,776
EBITDA Margin	%	19.7%	20.7%	--	19.3%
EBIT	₹ Cr.	981	1,014	(3)	3,572
Capital Employed (Incl. CWIP)	₹ Cr.	34,054	32,022	6	33,831
ROAvCE (Excl. CWIP)	%	12.7%	15.1%	--	12.5%

^{\$} Includes captive consumption for RMC

^{\$\$} Includes captive consumption for value added products

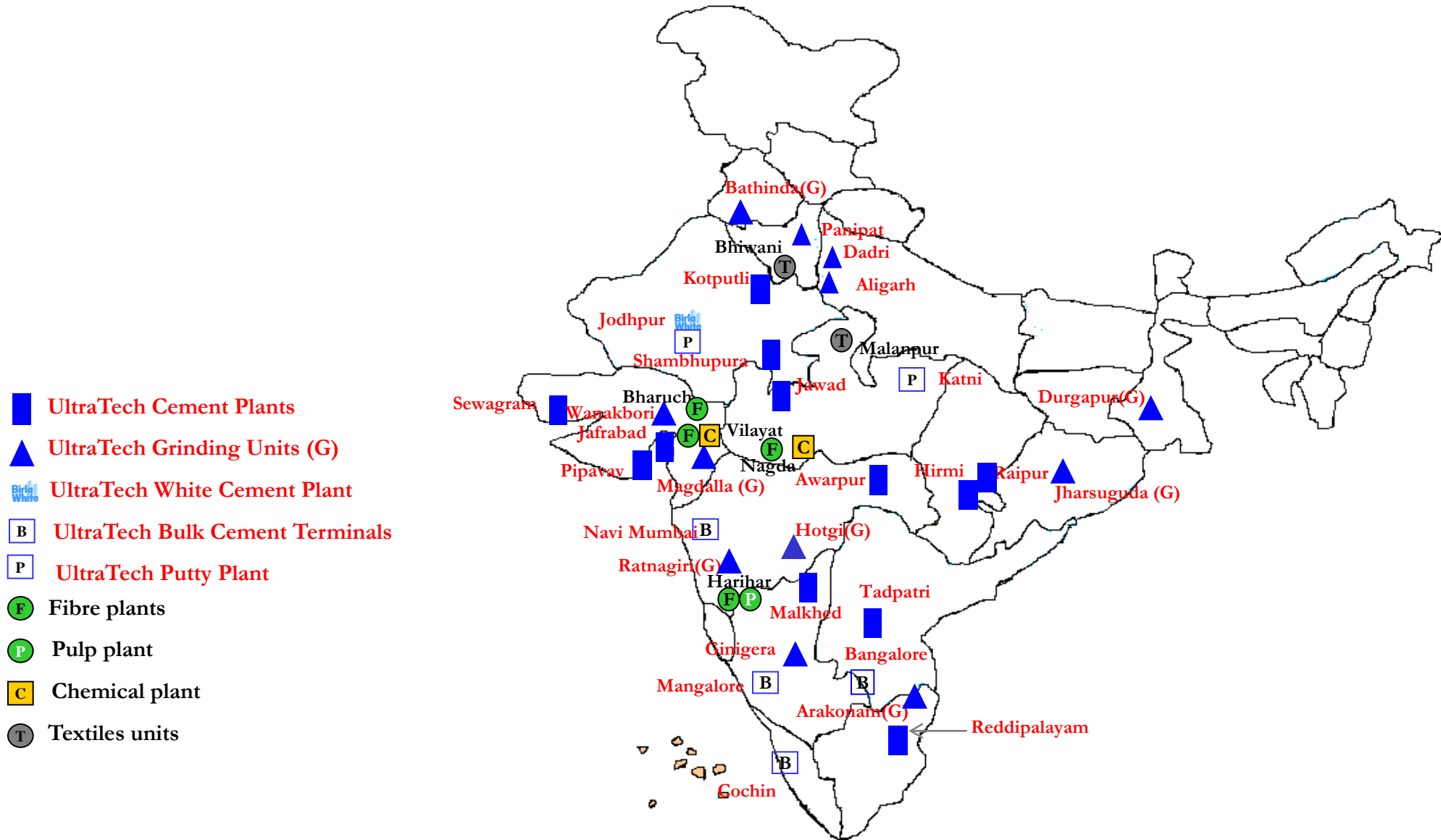


Grasim Group Structure



Standalone
 Subsidiary
 JV
 Associate

Plant Locations– Grasim & its subsidiaries



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

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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 30-06-2015**

PART I: STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER ENDED 30-06-2015 ₹ Crore

Particulars	Three Months Ended			Year Ended
	30-06-2015	31-03-2015	30-06-2014	31-03-2015
	(Unaudited)	(Audited) (Refer Note 8)	(Unaudited)	(Audited)
1 Income from Operations				
Net Sales / Income from Operations (Net of Excise Duty)	8,507.98	8,706.41	7,975.30	32,437.63
Other Operating Income	91.09	113.19	69.74	409.71
Total Income from Operations (Net)	8,599.07	8,819.60	8,045.04	32,847.34
2 Expenses				
Cost of Materials Consumed	1,962.59	2,045.74	1,952.09	8,030.39
Purchases of Stock-in-Trade	125.93	154.98	136.84	556.51
Changes [Decrease / (Increase)] in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	176.77	89.21	(0.11)	(159.61)
Employee Benefits Expense	546.56	569.29	497.96	2,141.16
Power and Fuel Cost	1,479.13	1,603.96	1,608.88	6,452.71
Freight and Handling Expenses	1,655.41	1,563.63	1,416.61	5,764.89
Depreciation and Amortisation Expense	403.04	417.48	357.76	1,563.22
Other Expenses	1,235.62	1,243.94	1,214.55	4,916.83
Total Expenses	7,585.05	7,688.23	7,184.58	29,266.10
3 Profit from Operations before Other Income, Finance Costs and Exceptional Item (1 - 2)	1,014.02	1,131.37	860.46	3,581.24
4 Other Income	113.92	109.63	269.61	538.96
5 Profit from Ordinary Activities before Finance Costs and Exceptional Item (3 + 4)	1,127.94	1,241.00	1,130.07	4,120.20
6 Finance Costs	171.30	182.63	126.49	667.39
7 Profit from Ordinary Activities after Finance Costs but before Exceptional item (5 - 6)	956.64	1,058.37	1,003.58	3,452.81
8 Exceptional Item (Refer Note 5)	-	(9.46)	-	(9.46)
9 Profit from Ordinary Activities before Tax (7 + 8)	956.64	1,048.91	1,003.58	3,443.35
10 Tax Expense	281.07	326.23	304.05	1,015.92
11 Net Profit after Tax before profit of Associates and adjustment for Minority Interest (9 - 10)	675.57	722.68	699.53	2,427.43
12 Add : Share in Profit of Associates	43.87	44.94	37.90	154.23
13 Less : Minority Interest	234.77	260.94	250.30	837.86
14 Net Profit for the Period (11 +12 - 13)	484.67	506.68	487.13	1,743.80
Paid up Equity Share Capital (Face Value ₹ 10 per share)	91.87	91.87	91.85	91.87
Reserve excluding Revaluation Reserves				22,988.71
15 Earnings per Share (of ₹ 10/- each) (Not Annualised):				
(a) Basic (₹)	52.76	55.15	53.04	189.84
(b) Diluted (₹)	52.70	55.10	53.01	189.64

PART II : SELECT INFORMATION FOR THE QUARTER ENDED 30-06-2015

A PARTICULARS OF SHAREHOLDING				
Public Shareholding * #				
Number of Shares (000's)	55,512	55,134	55,106	55,134
Percentage of Shareholding	60.44%	60.02%	60.01%	60.02%
Promoter and 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	23,429	23,429
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
- Percentage of Shares (as a % of the total share capital of the Company)	25.51%	25.51%	25.51%	25.51%
* Excludes shares represented by Global Depository Receipts				
# Excludes 1,036 Shares, since listed				
B INVESTOR COMPLAINTS				
Pending at the beginning of the Quarter	-			
Received during the Quarter	3			
Disposed of during the Quarter	3			
Remaining unresolved at the end of the Quarter	-			

**UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
FOR THE QUARTER ENDED 30-06-2015**

₹ Crore

Particulars	Three Months Ended			Year Ended
	30-06-2015	31-03-2015	30-06-2014	31-03-2015
	(Unaudited)	(Audited) (Refer Note 8)	(Unaudited)	(Audited)
1. SEGMENT REVENUE				
Viscose Staple Fibre and Wood Pulp	1,664.37	1,765.68	1,558.58	6,643.24
Cement - Grey, White and Allied Products	6,432.15	6,597.49	6,032.36	24,348.96
Chemicals - Caustic Soda and Allied Chemicals	485.18	428.52	414.20	1,701.17
Others #	136.65	161.64	148.57	635.83
TOTAL	8,718.35	8,953.33	8,153.71	33,329.20
(Less) : Inter Segment Revenue	(119.28)	(133.73)	(108.67)	(481.86)
Total Operating Income	8,599.07	8,819.60	8,045.04	32,847.34
2. SEGMENT RESULTS				
Viscose Staple Fibre and Wood Pulp	68.77	48.04	19.81	217.60
Cement - Grey, White and Allied Products	921.52	1,084.08	809.38	3,272.65
Chemicals - Caustic Soda and Allied Chemicals	69.60	31.47	66.83	197.62
Others #	11.56	10.93	10.70	49.05
TOTAL	1,071.45	1,174.52	906.72	3,736.92
Add / (Less) :				
Finance Costs	(171.30)	(182.63)	(126.49)	(667.39)
Net Unallocable Income / (Expenditure)	56.49	66.48	223.35	383.28
Profit from Ordinary Activities after Finance Costs but before Exceptional Item	956.64	1,058.37	1,003.58	3,452.81
Exceptional Item (Refer Note 5)	-	(9.46)	-	(9.46)
Profit from Ordinary Activities before Tax	956.64	1,048.91	1,003.58	3,443.35
	As on	As on	As on	As on
	30-06-2015	31-03-2015	30-06-2014	31-03-2015
3. CAPITAL EMPLOYED				
(Segment Assets - Segment Liabilities)				
Viscose Staple Fibre and Wood Pulp	6,979.85	7,113.20	7,167.01	7,113.20
Cement - Grey, White and Allied Products	30,472.83	30,058.23	28,197.99	30,058.23
Chemicals - Caustic Soda and Allied Chemicals	1,949.04	1,921.60	1,869.58	1,921.60
Others #	318.08	319.87	287.57	319.87
TOTAL	39,719.80	39,412.90	37,522.15	39,412.90
Add: Unallocated Corporate Capital Employed	6,803.86	6,749.13	6,684.11	6,749.13
TOTAL CAPITAL EMPLOYED	46,523.66	46,162.03	44,206.26	46,162.03

Others mainly represents Textiles

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NOTES:

1. a. The Company has opted to publish Consolidated Financial Results which are reviewed by the Audit Committee and approved by the Board of Directors today.
- b. Key numbers of Standalone Financial Results of the Company are as under:

	Three Months Ended			₹ Crore
	30-06-2015 (Unaudited)	31-03-2015 (Audited) Refer Note 8	30-06-2014 (Unaudited)	Year Ended 31-03-2015 (Audited)
	Total Operating Income	1,657.22	1,733.18	1,439.50
Profit before Exceptional Item & Tax	145.08	82.45	137.42	711.16
Exceptional Item (Refer Note 5)	-	(26.24)	-	(26.24)
Net Profit after Tax	105.77	30.97	105.84	529.90

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

2. The operations of VSF Plant at Nagda which were suspended from 23rd April, 2015 due to water shortage have resumed from 22nd June 2015 with the onset of monsoon. Chemical plant at Nagda is also operating at full capacity now with the availability of water.

In the corresponding quarter of last year, these plants operated uninterruptedly.

3. The Scheme of Amalgamation ('the Scheme') of Aditya Birla Chemicals (India) Limited ('ABCIL') with the Company has been approved by the respective Equity Shareholders and Creditors of the Company and ABCIL. The regulatory approval of the Scheme from Competition Commission of India and approvals of the Hon'ble High Courts of Madhya Pradesh and Jharkhand are in process. Post amalgamation of ABCIL, the Company's production capacity of Caustic Soda will increase from 452 KTPA to 804 KTPA.

The Scheme, upon requisite approvals, will be effective from 1st April, 2015. However, the results of the Company for the quarter ended 30th June, 2015 do not include results of ABCIL, pending requisite approvals of the Scheme.

4. Based on the legal advise, UltraTech Cement Limited (UltraTech), a subsidiary of the Company, has challenged the Order dated 20th June, 2012 of Competition Commission of India (CCI) imposing a penalty of ₹ 1,175.49 Crore for alleged cartelisation with certain other companies. Based on legal opinion, UltraTech continues to believe that it has a good case and therefore, no provision has been made against the CCI Order.

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5. Exceptional item for the quarter and year ended 31st March 2015 represents provision made towards impairment of assets of Birla Lao Pulp and Plantation Company Ltd., a JV of the Company.
6. During the quarter, the Company has allotted 1,608 fully paid up equity shares of ₹ 10 each upon exercise of employee stock options.
7. Previous periods' figures have been regrouped/rearranged wherever necessary to conform to the current period's classification.
8. The figures for the quarter ended 31st March, 2015 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

For and on behalf of Board of Directors

Place : Mumbai
Date : 7th August, 2015

K. K. Maheshwari
Managing Director

Grasim Industries Limited

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Improved performance for Q1 FY16 led by substantial investments across Businesses

Consolidated Financial Performance ₹ Crore

	Quarter ended	
	30.06.2015	30.06.2014
Net Revenue	8,599	8,045
EBITDA	1,531	1,488
Net Profit	485	487



Grasim has reported improved performance for the quarter ended 30th June, 2015 amidst challenging market conditions. Its Consolidated Revenue has grown by 7% at ₹ 8,599 Cr. and EBITDA was up by 3% at ₹ 1,531 Cr.

Viscose Staple Fibre (VSF)

Revenue increased by 15% driven by higher sales volume at 103K MT, up 19%.

EBITDA surged by 72% at ₹ 139 Cr. with expanded volumes and a decline in pulp and other input cost. The production at the newly commissioned Vilayat plant has ramped up. It achieved a capacity utilisation of ~82%.

The volume growth would have been higher, had there been no plant stoppage at Nagda for two months due to the water shortage. Operations at Nagda resumed from the last week of June 2015.

Chemical Business

In the Chemical business, revenue soared by 17% as Epoxy volume almost doubled with ramping up of plant utilisation. Caustic soda sales volume was maintained at 98K Tons. EBITDA increased by 3% at ₹ 94 Cr.

The merger scheme of Aditya Birla Chemicals India Ltd. (ABCIL) with the Company has been approved by the Shareholders and Creditors of both the Companies. Post merger, the caustic soda capacity of the Company will increase from 452K TPA to 804K TPA. The scheme will be effective from 1st April, 2015 upon receipt of requisite regulatory approvals inter-alia from Competition Commission of India and High courts, expected by Q3 FY16. Therefore, the Company's results do not include EBITDA of ₹ 78 Cr. and PAT of ₹ 20 Cr. reported by ABCIL for the current quarter.

Cement Subsidiary (UltraTech Cement)

Amidst subdued demand in the Cement sector due to slowdown in construction activities, UltraTech Cement has reported better performance. Its revenue for the quarter at ₹ 6,432 Cr. was up by 7% as compared to ₹ 6,032 Cr. in the corresponding quarter last year. The combined cement and clinker sales volume was 13.0 Mn. tons against 12.4 Mn. tons last year. EBITDA was ₹ 1,282 Cr. (₹ 1,296 Cr.) and Net profit was ₹ 591 Cr. (₹ 627 Cr.) With the reduction in fuel prices and higher pet coke consumption, energy costs declined by 7%. Its benefit was partially offset by the increase in railway freight. Input prices remained stable, except for the rise in royalty on limestone and levies under the Mines and Mineral (Development and Regulation) Amendment Act, 2015.

Outlook

In the VSF business, prices are likely to be influenced by the development in the industry in China amidst increase in the input prices and resumption of operations at some of the shut capacities.

The Company's new plant at Vilayat with a higher share of speciality product will improve its product mix and realisations. The recently launched brand 'Liva' has met with good response from value chain and consumers. The Company is closely working with the brands, designers and retailers to expand its domestic market.

In the Chemical business, the scale of operations will rise significantly post the merger of ABCIL with the Company.

In Cement, the demand is expected to be higher with the Government's focus on infrastructure development, housing sector, smart cities etc. and the softening of interest rates. The Company is well positioned across the country to cater growth in demand.

The Company enjoys a leadership position in all its businesses: Cement, Viscose Staple Fibre and Chemicals, which has been further strengthened having made an investment of US\$ 4 bn. over last five years. The Company is well poised to reap the benefits of these investments with ramping up of capacity utilisation and expected upturn in the business cycle led by accelerated growth in the economy.

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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.
