



Grasim Industries Limited

India's New Growth Story

Q4 FY18 Performance Review
23rd May, 2018

Viscose

No. 1
VSF producer in India

Chemicals

No. 1
Caustic Soda producer in India

Pulp & Fibre JVs

No. 4
Global
DG pulp
producer

with VSF plant in
China

UltraTech Cement

No. 1
Cement producer in
India

No. 3
producer globally -ex
China

Aditya Birla Capital

amongst **Top 5**
Private Diversified
NBFCs

amongst **Top 3**
Asset Management
Companies

Idea Cellular

amongst **Top 3**
wireless operators
in India by Adjusted
Gross Revenue
Market Share

Merger
of ABNL with
Grasim

**Chemicals
brownfield
expansion**
At Vilayat nearing
completion

**Acquisition
of rights**
to operate and manage
VFY business of
Century Textiles

Listing
of Financial services
business - Aditya Birla
Capital Limited

Cement
Acquisition of
Jaypee Cement
Assets

#3
Mutual Fund
in India
Improved ranking
from #4

Notable milestones for FY18

Standalone

Net Revenue
over
Rs. 15,000 Cr

Standalone

EBITDA
over
Rs. 3,500 Cr

Standalone

PAT*
around
Rs. 2,000 Cr

Consolidated

Net Revenue
over
Rs. 55,000 Cr

Consolidated

EBITDA
around
Rs. 11,000 Cr

Consolidated

PAT*
around
Rs. 3,000 Cr

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Highlights

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Performance

Glossary

ABCL: Aditya Birla Capital Ltd., ABNL: Aditya Birla Nuvo Ltd., FCF: Free Cash Flow, NBFC: Non Banking Finance Company, VSF: Viscose Staple Fiber, VFY: Viscose Filament Yarn, MT : Metric Ton, K: One Thousand, 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 Amortization, ADMT: Air Dried Metric Ton, ECU : Electro Chemical Unit, ROAvCE : Return on Avg. Capital Employed (Excluding Capital Work In Progress), EBITDA Margin = $\text{EBITDA} / (\text{Revenue} + \text{Other Income}) * 100$; Revenue is net of excise duty unless stated otherwise, Financials from FY16 onwards are as per IndAS.

Note: The Results of the Q4 FY18 include the financial results of the businesses of erstwhile ABNL (merged with the Company w.e.f. 1st July, 2017) . Hence the same are not strictly comparable with Q4FY17.

- ▶ **Outstanding Standalone performance: Net Revenue up 60% and EBITDA up 70%**
- ▶ **Standalone Revenue and EBITDA are up 26% and 35% on YoY basis excluding ABNL**
 - Cash profit for the quarter (excluding exceptional items) at Rs.711 Cr. is up by 74%
 - Viscose Business record Revenue growth of 15% and EBITDA growth of 16%
 - Chemical Business reports highest ever quarterly Revenue and EBITDA; Up by 35% and 95% respectively
 - Liva brand tagged garments doubled YoY to 27.7 Mn in SS'18
- ▶ **Board has evaluated expansion of caustic soda and New chlorine VAPs**
 - In principal clearance for investment of around Rs 1,000 Cr

- ▶ **Cement Business reported consolidated sales volume growth of 29% YoY in Q4FY18**
- ▶ **Acquired Cement assets achieved average capacity utilization of 75% and cash break even in Q4**
- ▶ **Strong Growth in financial services led by NBFC (Lending book up 25% YoY,) Asset Management (AAUM up 27% YoY) and Life Insurance (Indian Embedded value reported 12.4% growth)**

Results Snapshot Q4FY18

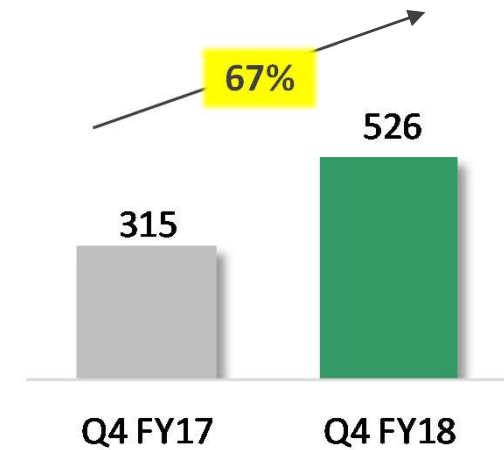
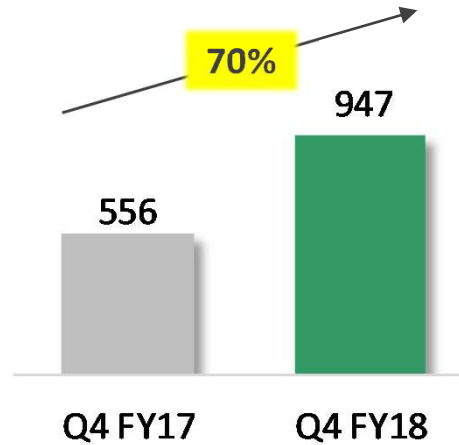
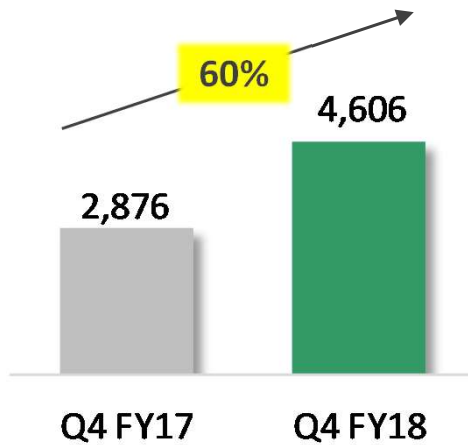


Net Revenue (Rs. Cr.)

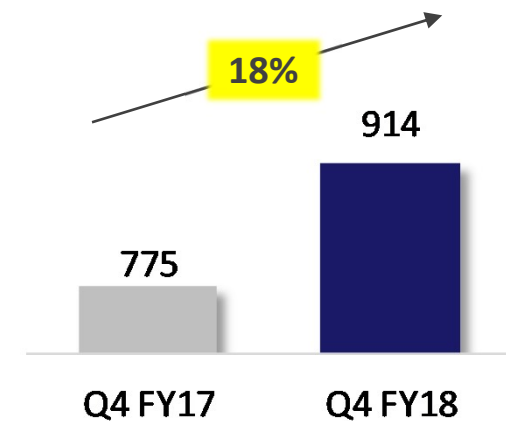
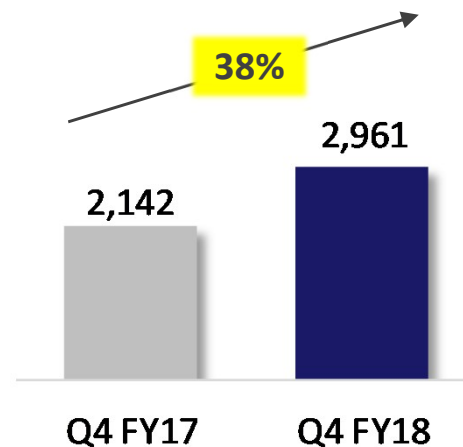
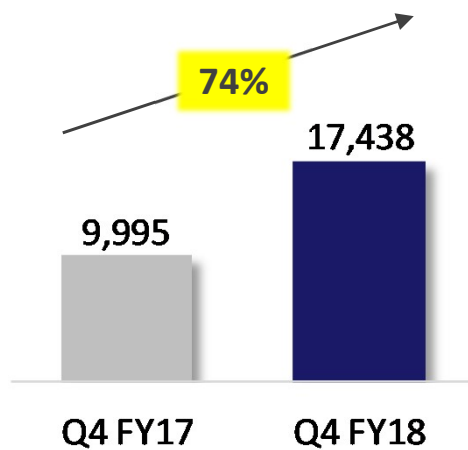
EBITDA (Rs. Cr.)

PAT* (Rs. Cr.)

Standalone performance



Consolidated performance



* PAT before exceptional items

Highlights

Financial
Performance

Business
Performance

Income statement Q4 FY18



| Particulars (Rs. Cr.) | Standalone | | % Change | Consolidated | | % Change |
|--|--------------|--------------|-----------|---------------|--------------|-----------|
| | Q4FY18 | Q4FY17 | | Q4FY18 | Q4FY17 | |
| Revenue from Operations | 4,606 | 2,876 | 60 | 17,438 | 9,995 | 74 |
| Other Income | 102 | 30 | 235 | 254 | 269 | -6 |
| EBITDA | 947 | 556 | 70 | 2,961 | 2,142 | 38 |
| <i>EBITDA Margin (%)</i> | <i>20%</i> | <i>19%</i> | - | <i>17%</i> | <i>21%</i> | - |
| Finance Cost | 49 | 8 | 487 | 392 | 176 | 122 |
| Depreciation | 185 | 113 | 64 | 771 | 472 | 63 |
| PBT (Before exceptional items) | 713 | 434 | 64 | 1,798 | 1,494 | 20 |
| Exceptional items | (219) | - | - | (314) | - | - |
| PBT | 494 | 434 | 14 | 1,485 | 1,494 | -1 |
| Tax Expense | 121 | 119 | 2 | 488 | 429 | 14 |
| Share in Profit of JVs, Associates & Others [#] | - | - | | (143) | (1) | |
| PAT (After exceptional items)* | 373 | 315 | 18 | 720 | 775 | -7 |
| PAT (Before exceptional items)* | 526 | 315 | 67 | 914 | 775 | 18 |

Notes:

- The Results of the Q4FY18 include the financial results of the businesses of erstwhile Aditya Birla Nuvo Ltd (merged with the Company w.e.f. 1st July, 2017. Hence the same are not strictly comparable with Q4FY17.
- Q4FY18 Consolidated results include Aditya Birla Capital Ltd's (ABCL) Revenue Rs.3,472Cr. and EBT Rs.56 Cr. as per IndAS (ABCL reporting is as per IGAAP)

* PAT attributable to the owners of the Company ie. Excluding Minority interest of Rs. 134 Cr (LY: 289 Cr)

Share in PAT of JVs loss attributable to participating policyholders of life insurance business Rs 6.7 Cr (LY: Nil)

Income statement FY18



| Particulars (Rs. Cr.) | Standalone | | % Change | Consolidated | | % Change |
|--|---------------|---------------|-----------|---------------|---------------|------------|
| | FY18 | FY17 | | FY18 | FY17 | |
| Revenue from Operations | 15,788 | 10,346 | 53 | 56,198 | 36,068 | 56 |
| Other Income | 461 | 474 | -3 | 990 | 948 | 4 |
| EBITDA | 3,542 | 2,629 | 35 | 10,881 | 8,333 | 31 |
| <i>EBITDA Margin (%)</i> | <i>21.8%</i> | <i>24.3%</i> | - | <i>19.0%</i> | <i>22.5%</i> | - |
| Finance Cost | 128 | 58 | 122 | 1,359 | 702 | 93 |
| Depreciation | 628 | 446 | 41 | 2,724 | 1,808 | 51 |
| PBT (Before exceptional items) | 2,786 | 2,125 | 31 | 6,798 | 5,823 | 17 |
| Exceptional items | (273) | - | - | (433) | - | - |
| PBT | 2,513 | 2,125 | 18 | 6,365 | 5,823 | 9 |
| Tax Expense | 744 | 565 | 32 | 1,947 | 1,707 | 14 |
| Share in Profit of JVs, Associates & Others [#] | - | - | | (730) | 129 | |
| PAT (After exceptional items)* | 1,769 | 1,560 | 13 | 2,679 | 3,167 | -15 |
| PAT (Before exceptional items)* | 1,976 | 1,560 | 27 | 2,991 | 3,167 | -6 |

Notes:

- The Results of FY18 include the financial results of the businesses of erstwhile Aditya Birla Nuvo Ltd. (merged with the Company w.e.f. 1st July, 2017). Hence the same are not strictly comparable with FY17.
- FY18 Consolidated results include Aditya Birla Capital Ltd's (ABCL) Revenue Rs.9,107 Cr. and EBT Rs.618 Cr. as per IndAS (ABCL reporting is as per IGAAP)

* PAT attributable to the owners of the Company ie. Excluding Minority interest of Rs. 1,009 Cr (LY: 1,078 Cr)

Share in PAT of JVs profit attributable to participating policyholders of life insurance business Rs 2.6 Cr (LY: Nil)

Strong Balance Sheet and Financial Ratios

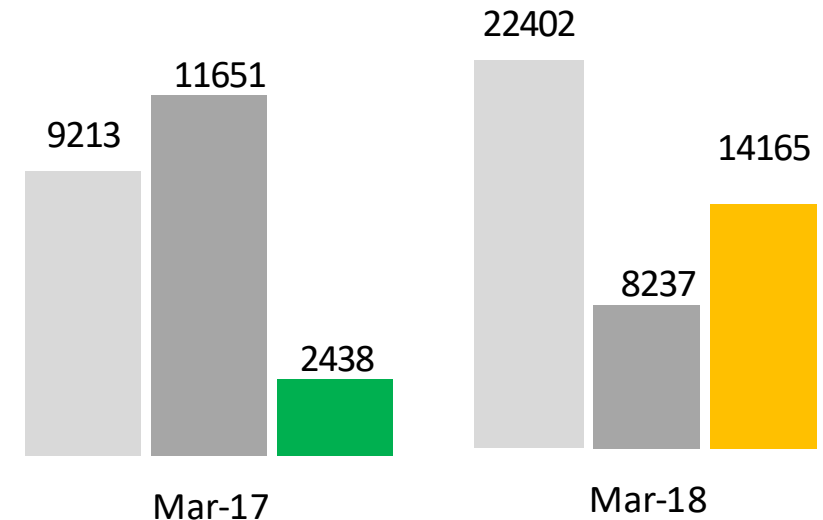


Consolidated Financial Ratios

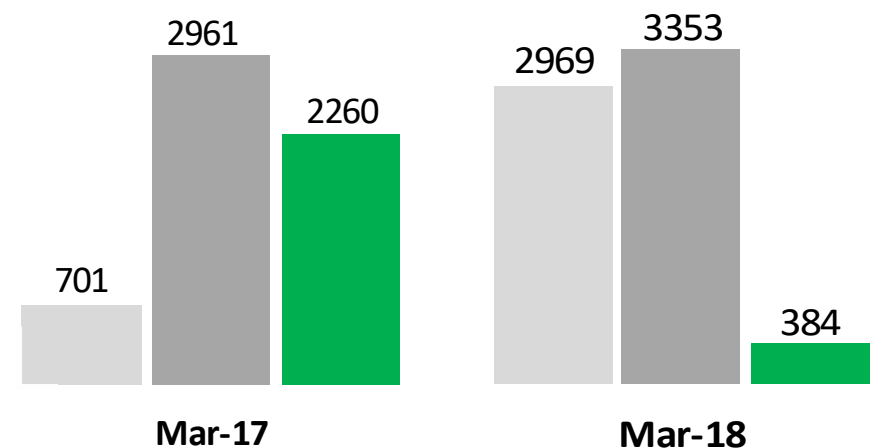
| | 31 March 2017 | 31 March 2018 |
|---------------------|---------------|---------------|
| Net Worth (Rs. Cr.) | 31,387 | 57,362 |
| Debt:Equity | 0.22 | 0.27 |
| Net Debt: Equity | - | 0.17 |
| Net Debt / EBITDA | - | 1.30 |

Debt
 Liquid investments
 Surplus
 Net Debt

Consolidated Debt / Surplus (Rs. Cr.)



Standalone Debt / Surplus (Rs. Cr.)



Robust FCF generation of ~ Rs.400 Cr. at Standalone level post capex of Rs.1,976 Cr. (including Century Rayon rights acquisition) in FY18

Capex Plan



| Particulars (Rs. Cr.) | Capex (Net of CWIP as on 1/4/2018) | Cash Outflow | | Capex spent |
|---|---|--------------|-----------------|--------------|
| | | FY19 | FY20 Onwards | YTD Mar'18 |
| VSF: Brownfield Expansion (including debottlenecking) | 4,257 | | | |
| Normal Capex (Water supply augmentation & usage reduction, R&D, Environment and Others) | 780 | | | |
| Chemical: Brownfield Expansion (including debottlenecking) | 201 | | | |
| Normal Capex | 715 | | | |
| Other Manufacturing Business (including Century Rayon Rs.62 Cr.) | 474 | | | |
| STANDALONE CAPEX* (A) | 6,427 | 2,564 | 3,863 | 1,105 |
| Cement: Capacity Expansion | 2,524 | | | |
| Modernization, Plant Infrastructure, Environment, Upgradation, logistic infra etc. | 3,376 | | | |
| CEMENT CAPEX(B) | 5,900 | 2,537 | 3,364 | 2,040 |
| TOTAL CAPEX (A) + (B) | 12,327 | 5,101 | 7,227 | 3,145 |

* Includes proposed Capex of VSF Rs.371 Cr, Chemical Rs.516 Cr and others Rs.212 Cr.



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graph LR; A[Highlights] --> B[Financial Performance]; B --> C[Business Performance];
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Highlights

Financial
Performance

Business
Performance

VSF and Chemicals Performance in FY18

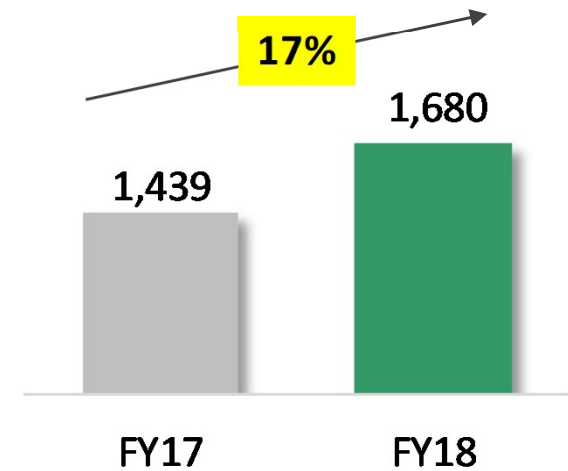
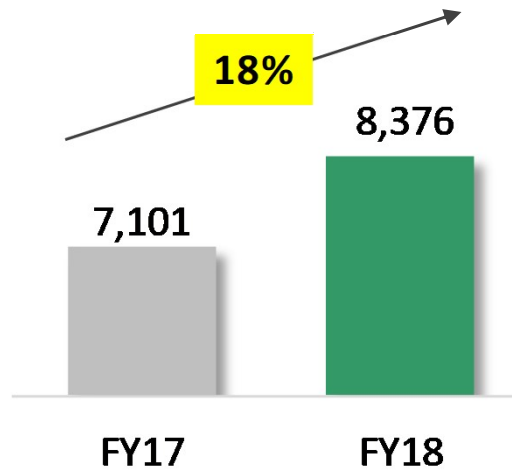
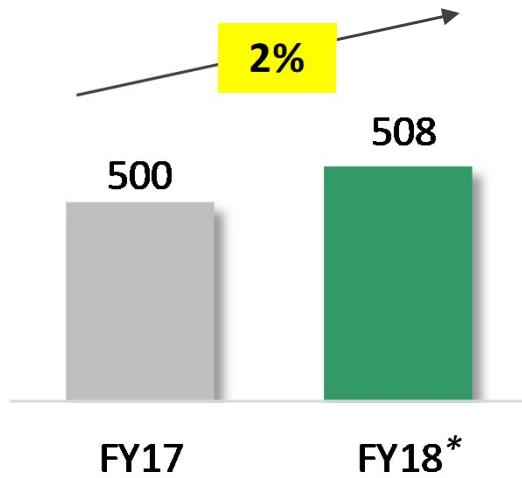


Sales volume (KTPA)

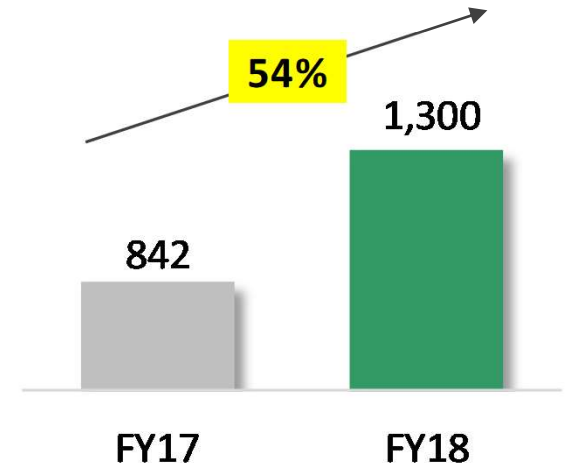
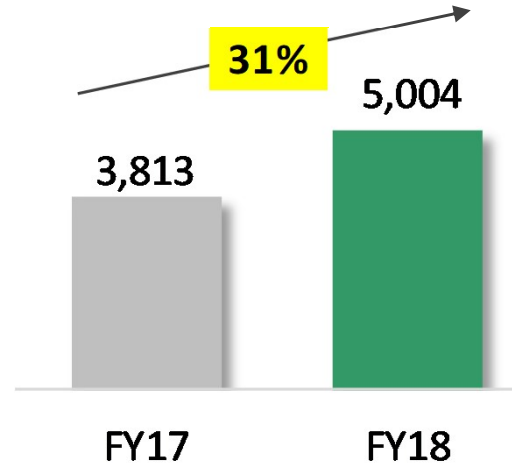
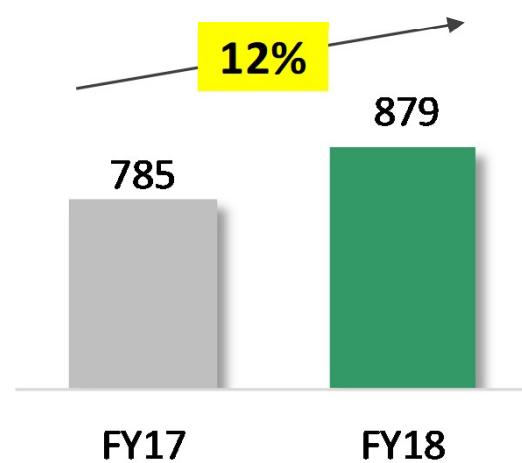
Net Revenue (Rs. Cr.)

EBITDA (Rs. Cr.)

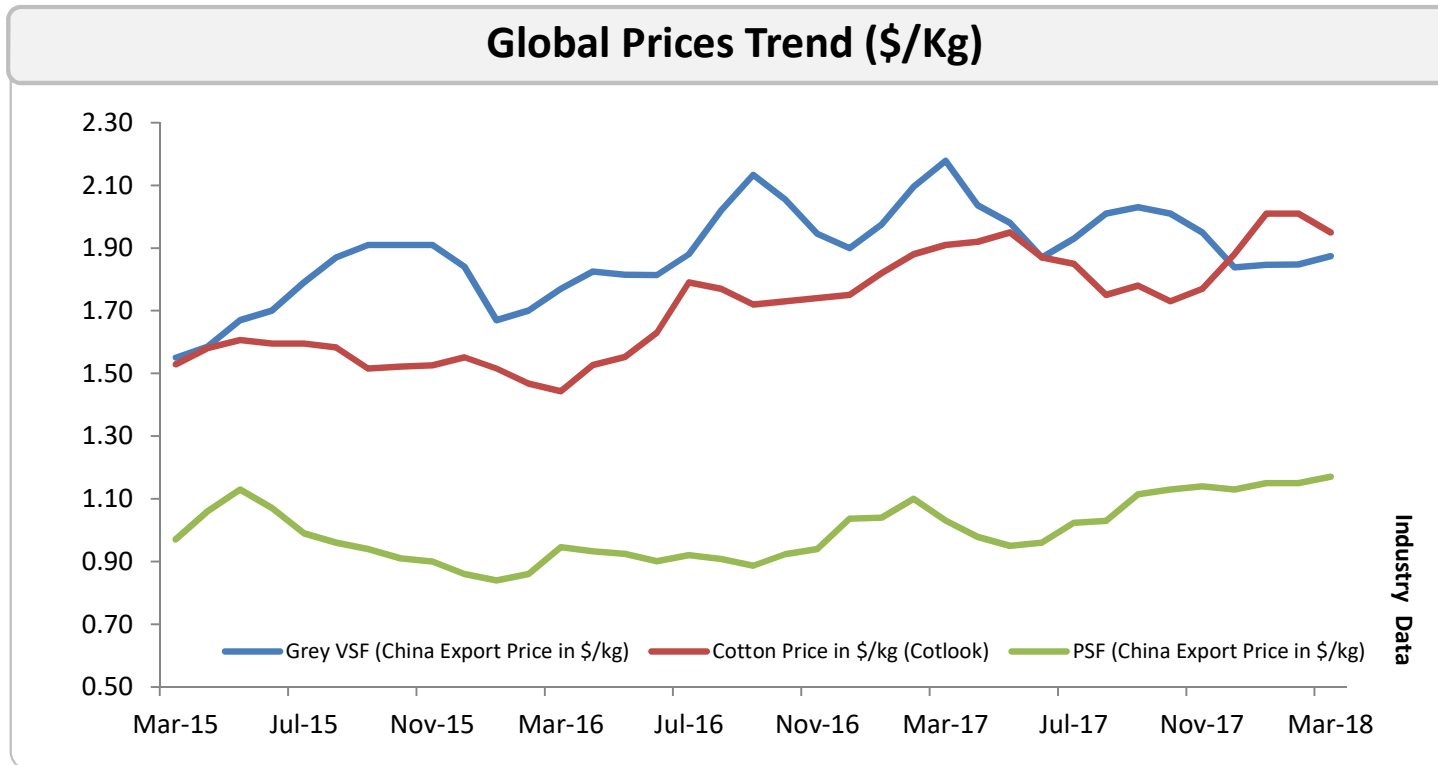
Viscose



Chemicals



* Sales Volume does not include VFY volume Q4FY18: 9KT; Q4FY17: Nil as ABNL merged with Grasim w.e.f. 1st July 2017

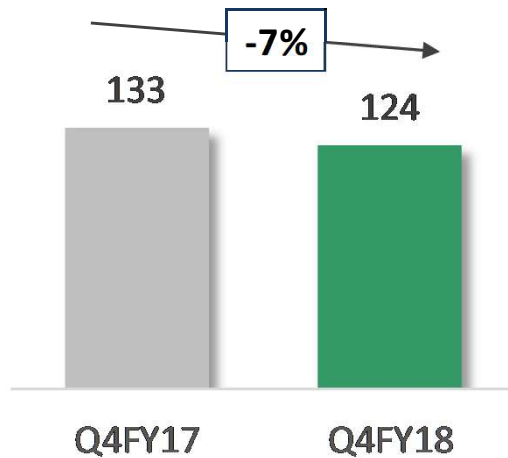


- ▶ India demand growth projected at ~8% (+) higher than the global demand by 200 bps (+)
- ▶ The capacity utilization rates in China hovered in the range of 80%-85% during Q4FY18
- ▶ The prices of competing fibres remained firm during the quarter
- ▶ Global VSF prices may soften in the near term as new capacities(~1 MTPA) are expected to come on stream in China

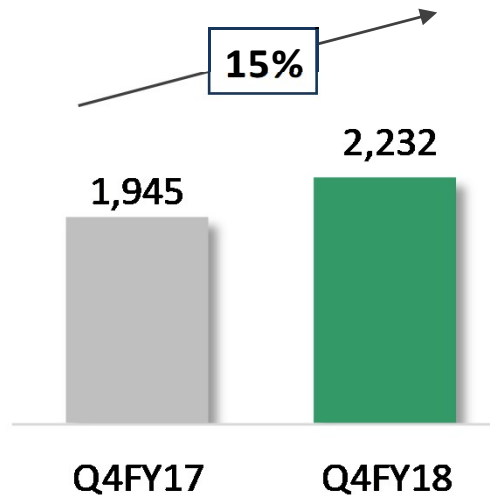
Business Performance(Q4FY18): Viscose



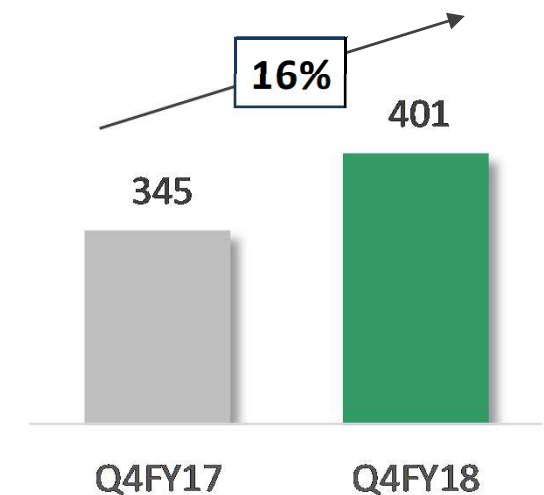
Sales volume (KTPA)*



Net Revenue



EBITDA



- ▶ Q4FY18 production and sales volume were impacted due to delay in regulatory approvals for enhanced capacity post debottlenecking. Approvals received in Q1FY19
 - VSF reported record production and sales volume in FY18 at 499 KT and 508 KT respectively
- ▶ The share of domestic sales volume in the overall sales volume improved to 75% (FY18) from 69% (FY17), led by intense market development efforts
- ▶ Input cost pressure primarily led by Caustic, Sulphur and Energy prices, largely offset by higher realization and operational efficiencies

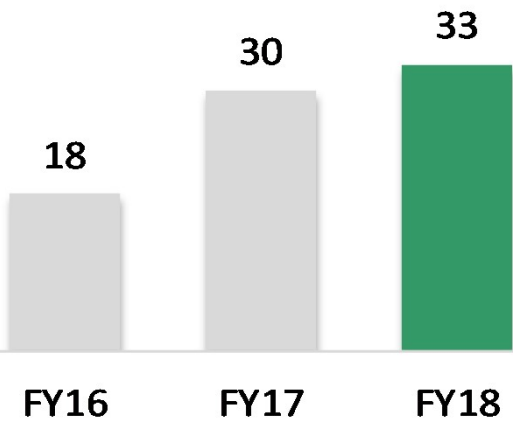
* Sales Volumes does not include VFY volume Q4FY18:9KT; Q4FY17:Nil as ABNL merged with Grasim w.e.f. 1st July 2017

LIVA driving domestic growth

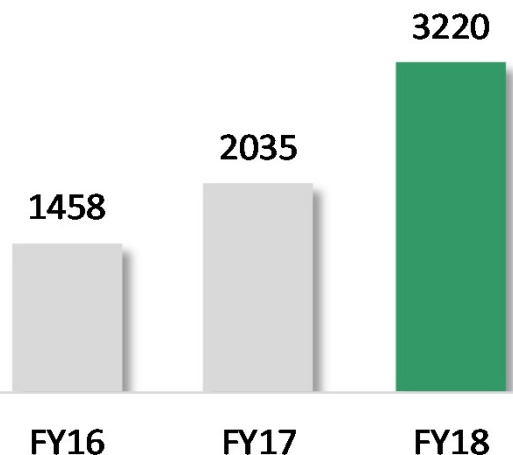


Pioneering ingredient branding in global textile industry by Grasim - LIVA

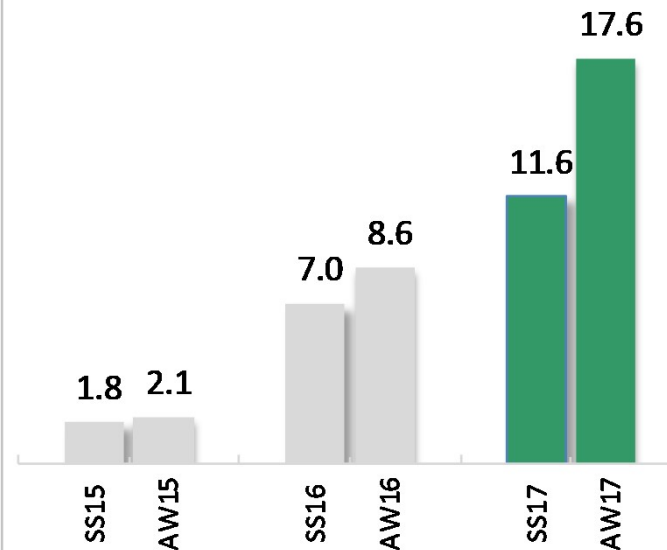
Top brands covered (Nos.)



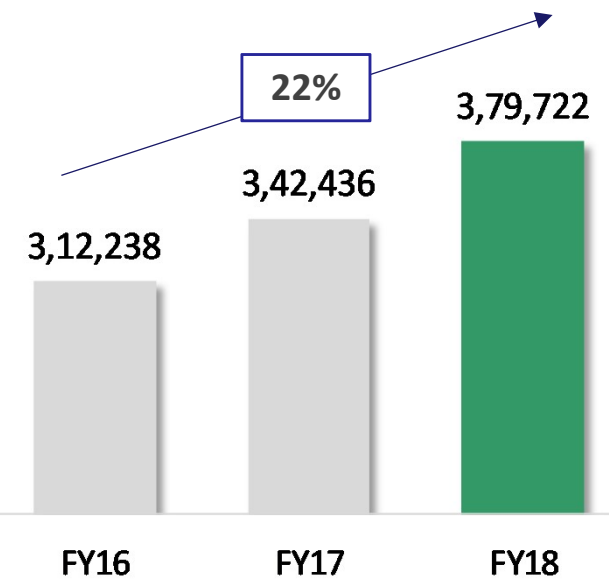
LIVA presence in outlets (Nos.)



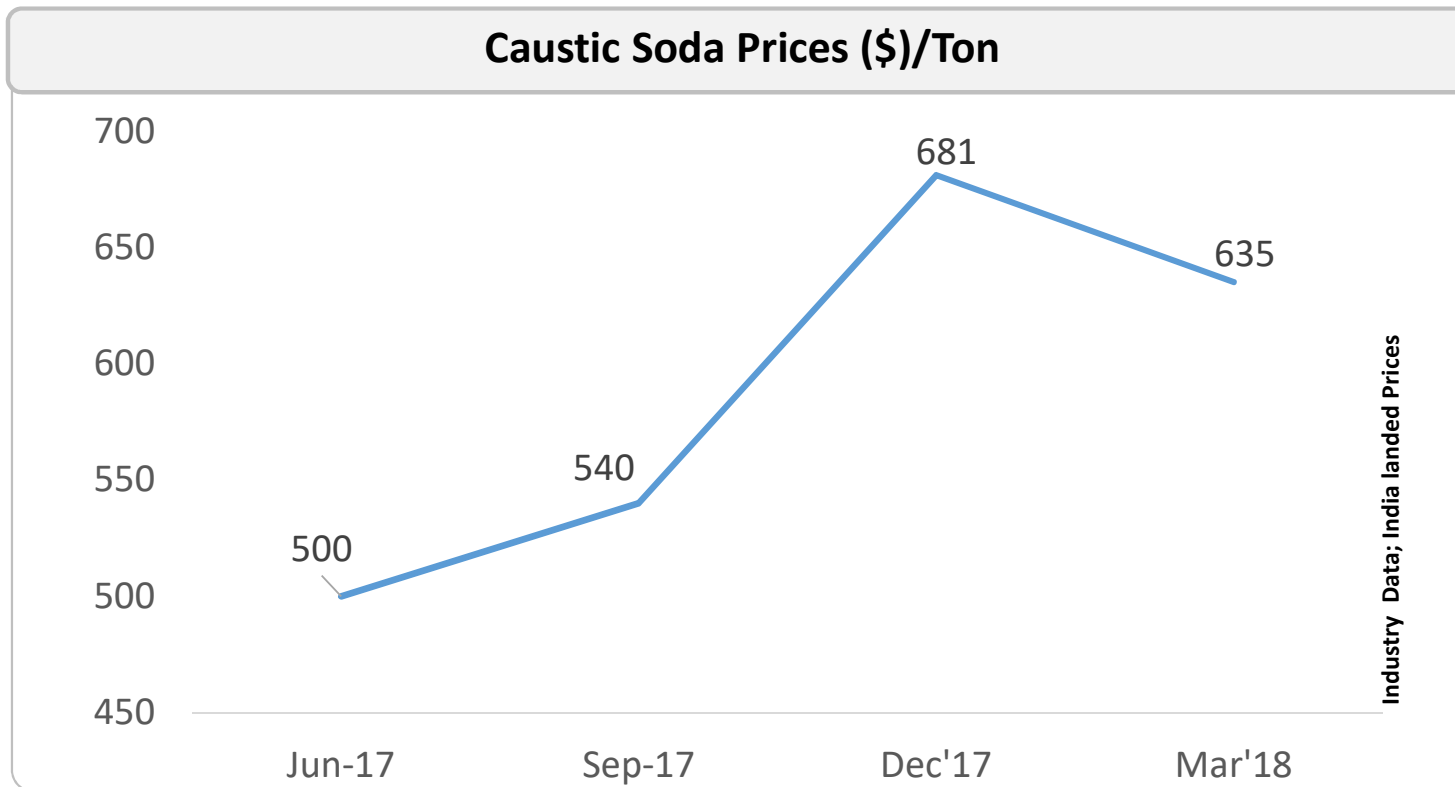
LIVA Tagging (Mn.)



Domestic Sales Volume (MT)

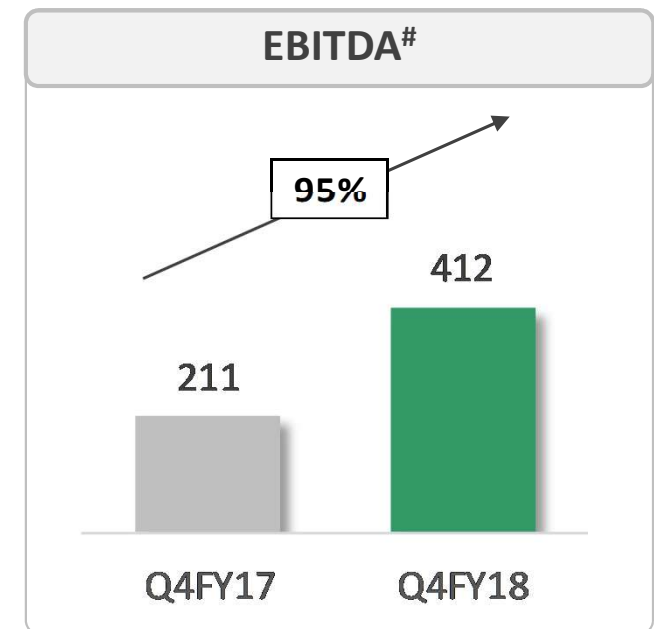
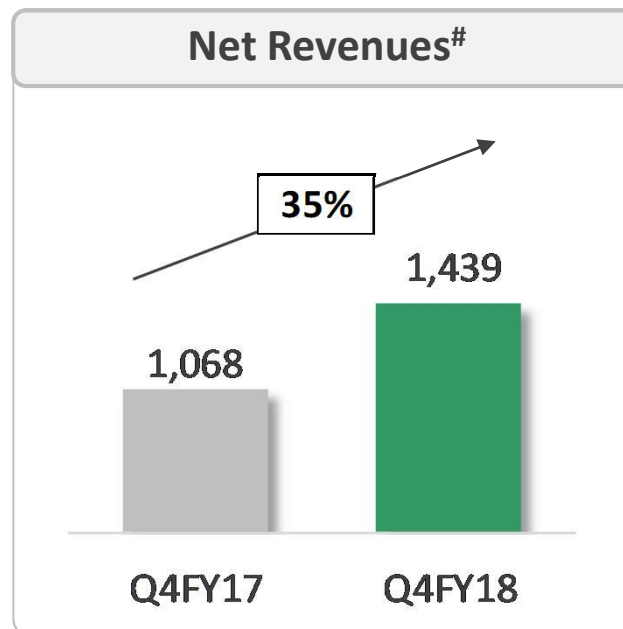
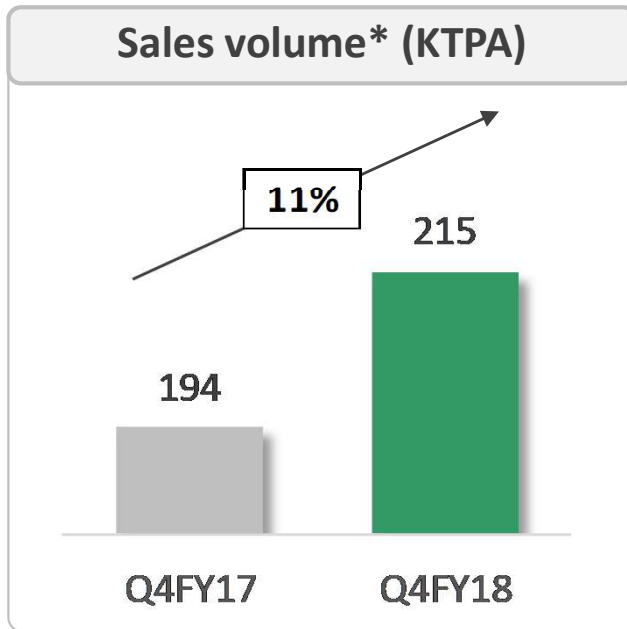


- ▶ Continued focus on expanding usage and application of VSF in domestic textile market to bolster the VSF demand in the textile value chain
- ▶ The no. of tagged garments for SS18 is 27.7 Mn
- ▶ LIVA tagged garments are available in more than 3,000+ stores currently across the country

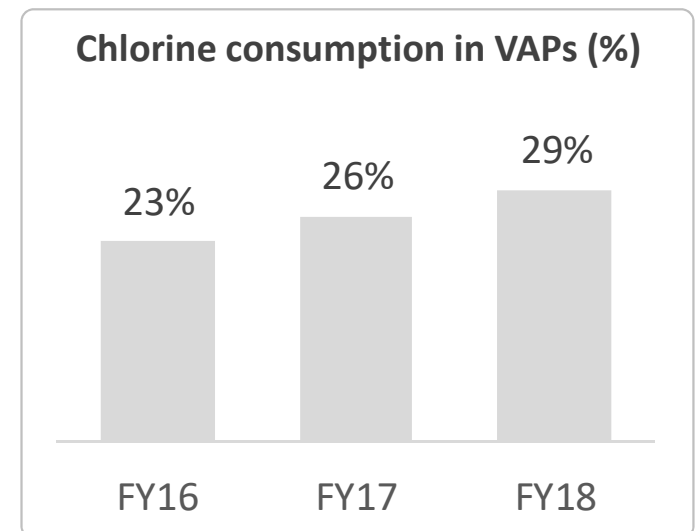


- ▶ Caustic prices consolidated during the quarter with capacity restarts in China
- ▶ Demand from major consuming segment like alumina and Viscose expected to remain robust
- ▶ Seen recovery in Chlorine prices during the quarter driven by improvement in demand
- ▶ Limited visibility of capacity additions in FY19 by the industry

Business Performance(Q4FY18): Chemicals



- ▶ Caustic Soda production and sales volume are up 12% and 11% YoY
- ▶ Grasim's capacity utilization @93% (Q4FY18) higher than the industry**
- ▶ EBITDA up by 95% YoY, supported by higher ECU realization and sales volume
- ▶ Higher proportion of VAPs in product mix
- ▶ Input cost pressure with rise in power and salt rates
- ▶ Brownfield expansion project of 146KTPA at Vilayat commissioned in May-2018

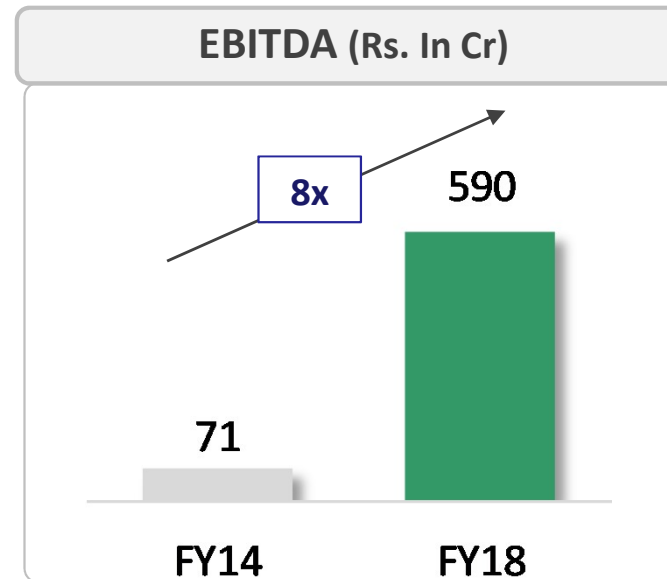
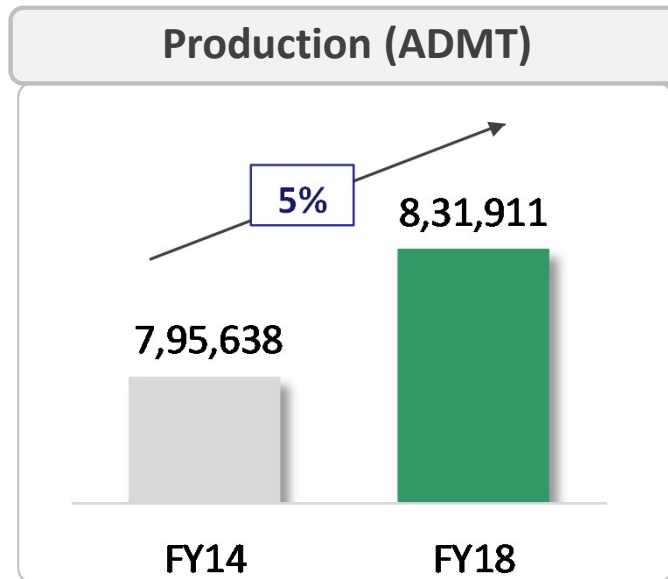


* Sales Volumes are for Caustic Soda only. Q4 FY18 volume includes Veraval (21KT) on account of merger of ABNL with Grasim w.e.f. 1st July'17 (Veraval not included in Q4 FY17)

Revenue and EBITDA are for all products in the chemical segment

** As per company estimates from public data

Business Performance(Q4FY18): Pulp and Fibre JVs



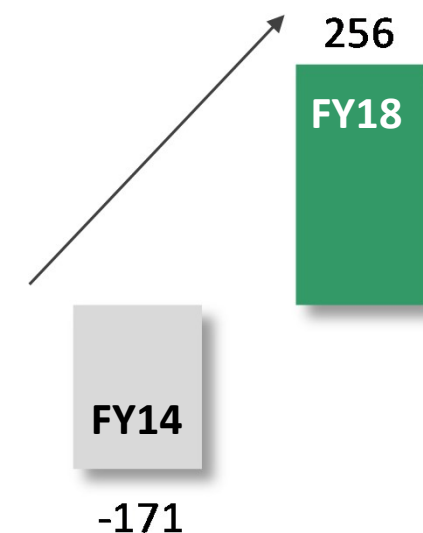
► **Pioneering Forest to Fashion through strategic investments in pulp manufacturing facilities**

- High backward integration, encompassing over ~50% of our requirement
- Making available good and consistent prime quality of pulp for VSF units through facilities in Canada and Sweden
- ~40% YoY increase in Specialty mix to 70,572 TPA

► **Successful in effectively turning around business through sustainable practices**

► **~8x EBITDA growth across pulp units in the last 5 years**

Net Profit (Rs. in Cr)

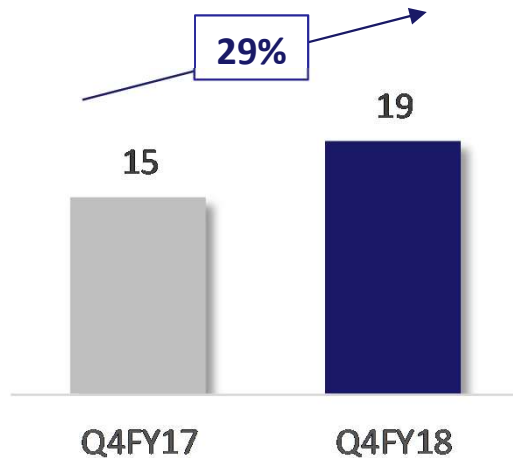


Note: The above data represents full numbers of the JVs. Grasim's share proportionate to its holding in respective JVs has been consolidated in the results.

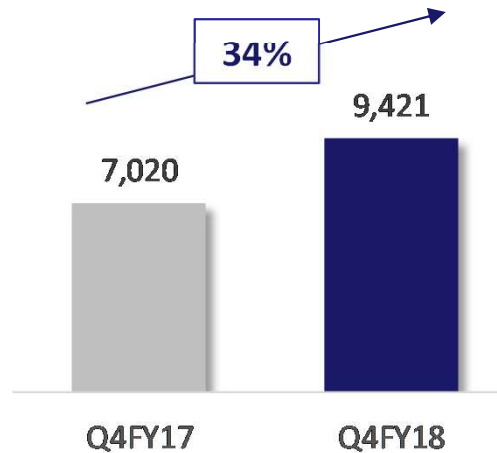
Business Performance(Q4FY18): UltraTech



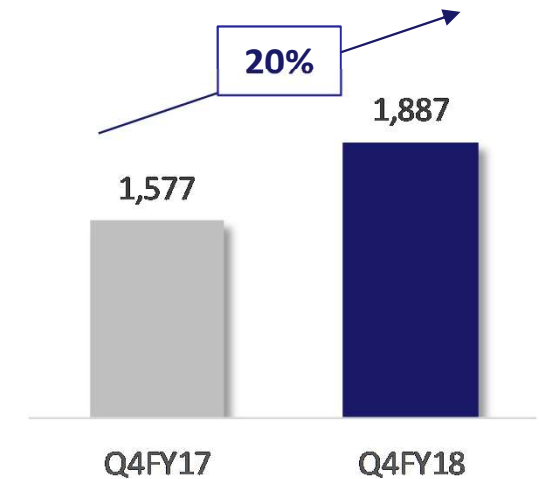
Sales volume (MTPA)



Revenue (Rs. Cr.)

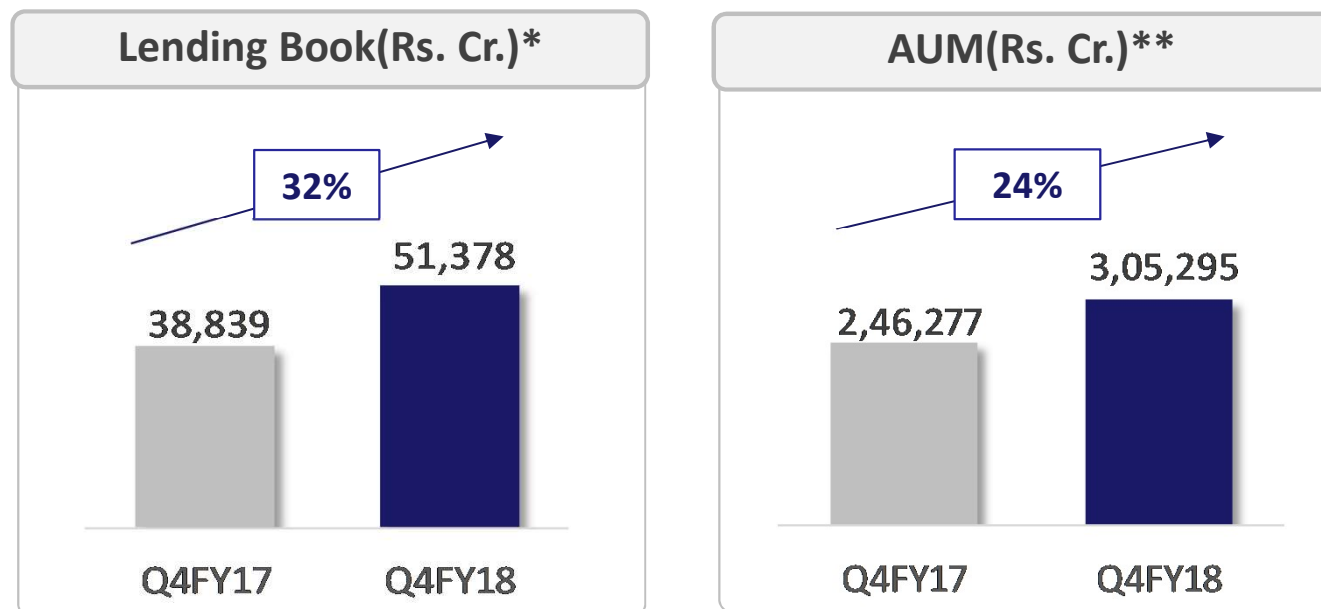


EBITDA (Rs. Cr.)



- ▶ Q4FY18 sales volume up 29% YoY, Revenue up 34% YoY, EBITDA up 20% YoY to Rs.1,887 Cr
- ▶ Logistics cost per ton up by 6% due to change in sales pattern from ex-works to FOR and increase in diesel prices. Energy cost per ton up by 17% led by higher fuel prices (pet coke prices up 20% to \$104)
- ▶ Acquired assets Q4FY18 average capacity utilization @75%, achieved cash break even, pet coke usage in kiln at ~75%, cost gap with existing plants narrowing down
- ▶ Next up cycle: Demand will move in line with GDP, driven by Infra, rural development, housing PMAY scheme and pre-election spending

Business Performance(Q4FY18): ABCL



- ▶ Revenue and EBT as per IGAAP for Q4FY18 are at Rs. 4,203 Cr. and Rs. 398 Cr
- ▶ NBFC lending book grew 25% YoY to Rs.43,242 Cr. and Housing Finance book grew by 2x YoY to Rs.8,137 Cr in Q4FY18
- ▶ Asset Management business ranked No.3 Mutual Fund in India with the Average Assets under management up by 27% YoY to 2,67,739 Cr. The business reported an overall domestic market share of 10.75% and equity market share of 9.2% in Q4FY18
- ▶ Life Insurance business reported a 12.4% growth in the Indian Embedded Value to Rs.4,281 Crore as (31-Mar-2018) from 3,810 Crore (31-Mar-2017). Net VNB margin positive at 4.3% in FY18 vis-à-vis negative 5.5% in FY17
- ▶ In the first year of operation the Health Insurance business achieved gross written premium of 243 Crore, covering about 1 million lives

* Includes Housing Finance. ** Includes AUM of Life Insurance, Health Insurance, Private Equity and quarterly AAUM of Asset Management Business

Business Performance(Q4FY18)- Other Businesses



Revenue (Rs. Cr.)

EBITDA (Rs. Cr.)

| | Revenue (Rs. Cr.) | EBITDA (Rs. Cr.) | |
|--------------------|-------------------|------------------|---|
| Fertilizers | 611 | 55 | Demand conditions remain firm. |
| Textile | 399 | 35 | Improvement in demand condition, pricing pressure continues |
| Insulator | 149 | 15 | Industry remained flat but the share of porcelain insulator dropped |

THANK YOU

Consolidated Financial Performance



| Particulars | Quarter 4 | | % Change | YTD Mar'18 | | % Change |
|--|---------------|--------------|------------|---------------|---------------|------------|
| | 2017-18 | 2016-17 | | 2017-18 | 2016-17 | |
| Net Sales & Op. Income | 17,438 | 9,995 | 74 | 56,198 | 36,068 | 56 |
| Other Income | 254 | 269 | -6 | 990 | 948 | 4 |
| EBITDA | 2,961 | 2,142 | 38 | 10,881 | 8,333 | 31 |
| <i>EBITDA Margin (%)</i> | <i>16.7%</i> | <i>20.9%</i> | - | <i>19.0%</i> | <i>22.5%</i> | - |
| Finance Cost | 392 | 176 | 122 | 1,359 | 702 | 93 |
| Finance Cost Relating to NBFC/NHFC | 813 | - | - | 2,299 | - | - |
| Depreciation | 771 | 472 | 63 | 2,724 | 1,808 | 51 |
| Share in Profit of JVs & Associates | (150) | (1) | - | (727) | 129 | - |
| Exceptional item | (314) | - | - | (433) | - | - |
| Earnings before Tax | 1,335 | 1,493 | -11 | 5,637 | 5,952 | -5 |
| Total Tax | 488 | 429 | 14 | 1,947 | 1,707 | 14 |
| Less: Profit/(Loss) attributable to participating policyholders of Life Insurance Business | 7 | - | - | (3) | - | - |
| Reported PAT | 854 | 1,064 | -20 | 3,688 | 4,246 | -13 |
| Less: Minority Interest | 134 | 289 | -54 | 1,009 | 1,078 | -6 |
| PAT (After Minority Interest & EI) | 720 | 775 | -7 | 2,679 | 3,167 | -15 |
| Other Comprehensive Income (After MI) | (572) | 410 | - | (168) | 951 | - |
| Total Comprehensive Income (After MI) | 148 | 1,184 | - | 2,511 | 4,119 | - |
| EPS | 10.94 | 16.57 | - | 44.17 | 67.77 | - |

Standalone Financial Performance



| Particulars | Quarter 4 | | % Change | YTD Mar'18 | | % Change |
|--|--------------|--------------|-----------|---------------|---------------|-----------|
| | 2017-18 | 2016-17 | | 2017-18 | 2016-17 | |
| Net Sales & Op. Income | 4,606 | 2,876 | 60 | 15,788 | 10,346 | 53 |
| Other Income | 102 | 30 | 235 | 461 | 474 | -3 |
| EBITDA | 947 | 556 | 70 | 3,542 | 2,629 | 35 |
| <i>EBITDA Margin (%)</i> | <i>20%</i> | <i>19%</i> | - | <i>22%</i> | <i>24%</i> | - |
| Finance Cost | 49 | 8 | 487 | 128 | 58 | 122 |
| Depreciation | 185 | 113 | 64 | 628 | 446 | 41 |
| PBT (Before exceptional item) | 713 | 434 | 64 | 2,786 | 2,125 | 31 |
| Exceptional item | (219) | - | - | (273) | - | - |
| Earnings before Tax | 494 | 434 | 14 | 2,513 | 2,125 | 18 |
| Tax Expense | 121 | 119 | 2 | 744 | 565 | 32 |
| PAT (Excluding exceptional items) | 526 | 315 | 67 | 1,976 | 1,560 | 27 |
| Reported PAT (After exceptional items) | 373 | 315 | 18 | 1,769 | 1,560 | 13 |
| Other Comprehensive Income (after tax) | (618) | 452 | | (222) | 1,012 | |
| Total Comprehensive Income (after tax) | (244) | 767 | | 1,547 | 2,572 | |
| EPS | 5.67 | 6.75 | | 29.17 | 33.38 | |

Balance Sheet



| Standalone | | | Consolidated | |
|---------------|-------------------------|---|-----------------|-------------------------|
| 31st Mar'18 | 31 st Mar'17 | EQUITY & LIABILITIES | 31st Mar'18 | 31 st Mar'17 |
| 44,790 | 16,231 | Net Worth | 57,362 | 31,387 |
| - | - | Non Controlling Interest | 26,337 | 9,702 |
| - | - | Borrowings related to financial services | 44,667 | - |
| 2,969 | 701 | Other Borrowings | 22,402 | 9,213 |
| 1,835 | 663 | Deferred Tax Liability (Net) | 5,596 | 3,518 |
| - | - | Policy Holders Liabilities | 36,373 | - |
| 4,019 | 2,224 | Other Liabilities & Provisions | 14,744 | 8,759 |
| 53,612 | 19,819 | SOURCES OF FUNDS | 2,07,482 | 62,580 |
| 31st Mar'18 | 31st Mar'17 | ASSETS | 31st Mar'18 | 31st Mar'17 |
| 10,817 | 6,887 | Net Fixed Assets | 53,065 | 31,792 |
| 895 | 430 | Capital WIP & Advances | 4,546 | 1,650 |
| - | - | Goodwill on Consolidation | 16,192 | 2,994 |
| | | Investments: | | |
| 2,636 | 2,636 | Cement Subsidiary(UltraTech) | - | - |
| 17,077 | - | ABCL Subsidiary | - | - |
| 7,311 | 171 | Idea Cellular | 7,661 | 1,166 |
| - | - | AMC (JV) | 4,887 | - |
| 950 | 849 | <i>Investment in other equity accounted investees</i> | 1,385 | 990 |
| 3,353 | 2,961 | <i>Liquid Investments</i> | 8,237 | 11,651 |
| 4,219 | 2,380 | <i>Other Investments(Hindalco, ABFRL, etc.)</i> | 6,097 | 2,393 |
| - | - | Investment of Insurance Business | 13,019 | - |
| - | - | Assets held to cover linked liabilities | 24,709 | - |
| - | - | Loans and advances of financing activities | 50,677 | - |
| 6,354 | 3,506 | Other Assets, Loans & Advances | 17,007 | 9,943 |
| 53,612 | 19,819 | APPLICATION OF FUNDS | 2,07,482 | 62,580 |
| (384) | (2,260) | Net Debt / (Surplus) | 14,165 | (2,438) |

Viscose Business Summary



| Particulars | | Quarter 4 | | % Change | YTD Mar'18 | | % Change |
|-------------------------------|---------|-----------|---------|----------|------------|---------|----------|
| | | 2017-18 | 2016-17 | | 2017-18 | 2016-17 | |
| <u>Capacity</u> | | | | | | | |
| VSF | KTPA | 498 | 498 | - | 498 | 498 | - |
| VFY | KTPA | 46 | - | | 46 | - | |
| <u>Production</u> | | | | | | | |
| VSF | KT | 113 | 120 | -6 | 499 | 493 | 1 |
| VFY | KT | 9 | - | | 19 | - | |
| <u>Sales Volume</u> | | | | | | | |
| VSF | KT | 124 | 133 | -7 | 508 | 500 | 2 |
| VFY | KT | 9 | - | | 19 | - | |
| Net Revenue | Rs. Cr. | 2,232 | 1,945 | 15 | 8,376 | 7,101 | 18 |
| EBITDA | Rs. Cr. | 401 | 345 | 16 | 1,680 | 1,439 | 17 |
| EBITDA Margin | % | 17.8% | 17.8% | - | 20.0% | 20.2% | - |
| EBIT | Rs. Cr. | 310 | 284 | 9 | 1,384 | 1,206 | 15 |
| Capital Employed (Incl. CWIP) | Rs. Cr. | 6,958 | 4,726 | 47 | 6,958 | 4,726 | 47 |
| ROAvCE (Excl. CWIP) | % | 20.6% | 24.5% | - | 33.1% | 25.6% | - |

Chemical Business Summary



| Particulars | | Quarter 4 | | % Change | YTD Mar'18 | | % Change |
|-------------------------------|---------|-----------|---------|----------|------------|---------|----------|
| | | 2017-18 | 2016-17 | | 2017-18 | 2016-17 | |
| Capacity* | KTPA | 938 | 840 | 12 | 938 | 840 | 12 |
| Production* | KT | 220 | 197 | 12 | 886 | 780 | 14 |
| Sales Volume* | KT | 215 | 194 | 11 | 879 | 785 | 12 |
| Net Revenue | Rs. Cr. | 1,439 | 1,068 | 35 | 5,004 | 3,813 | 31 |
| EBITDA | Rs. Cr. | 412 | 211 | 95 | 1,300 | 842 | 54 |
| EBITDA Margin | % | 28.5% | 19.7% | - | 25.9% | 22.0% | - |
| EBIT | Rs. Cr. | 355 | 161 | 120 | 1,089 | 642 | |
| Capital Employed (Incl. CWIP) | Rs. Cr. | 4,260 | 3,778 | 13 | 4,260 | 3,778 | 13 |
| ROAvCE (Excl. CWIP) | % | 38.2% | 18.1% | - | 39.3% | 14.5% | - |

*Sales Volumes are for Caustic Soda only. Q2,Q3 and Q4 FY18 volumes includes Veraval (21KT) on account of merger of ABNL with Grasim w.e.f. 1st July'17 (but not included in Q4 FY17). Revenue and EBITDA are for all products in the chemical segment.

Cement Business Summary



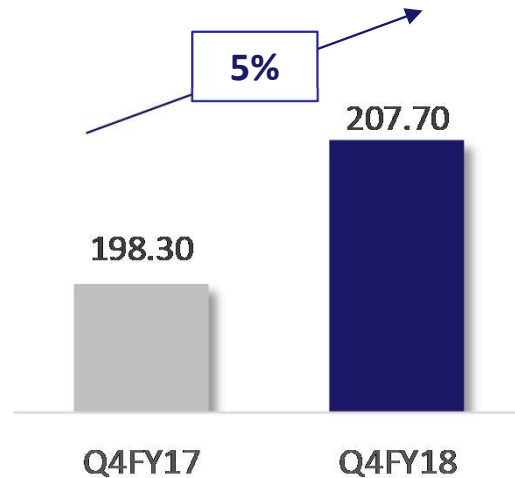
| Particulars | | Quarter 4 | | % Change | YTD Mar'18 | | % Change |
|-------------------------------|---------|-----------|---------|----------|------------|---------|----------|
| | | 2017-18 | 2016-17 | | 2017-18 | 2016-17 | |
| Capacity* | Mn. TPA | 89 | 70 | 27 | 89 | 70 | 27 |
| Production | Mn. MT | 18 | 14 | 25 | 61 | 51 | 19 |
| Sales Volume | Mn. MT | 19 | 15 | 29 | 65 | 54 | 20 |
| Net Revenue | Rs. Cr. | 9,421 | 7,020 | 34 | 31,411 | 25,375 | 24 |
| EBITDA | Rs. Cr. | 1,887 | 1,577 | 20 | 6,729 | 5,861 | 15 |
| EBITDA Margin | % | 19.81% | 21.72% | - | 21.03% | 22.52% | - |
| EBIT | Rs. Cr. | 1,386 | 1,221 | 13 | 4,881 | 4,512 | 8 |
| Capital Employed (Incl. CWIP) | Rs. Cr. | 49,051 | 35,649 | 38 | 49,051 | 35,649 | 38 |

*Excluding capacity under implementation: 11 MTPA

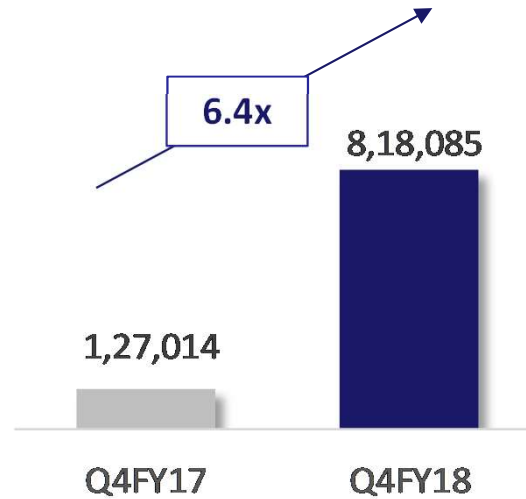
Business Performance (Q4FY18)- Telecom



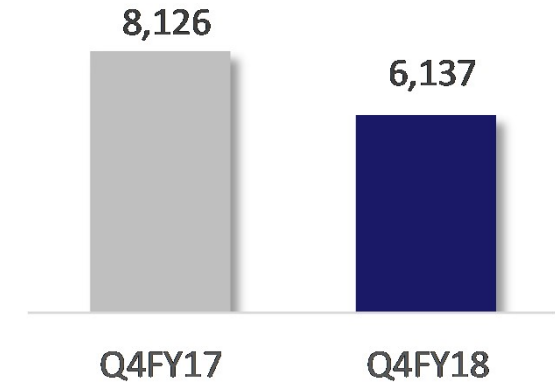
VLR Subscriber



Data Volume (Mn MB)

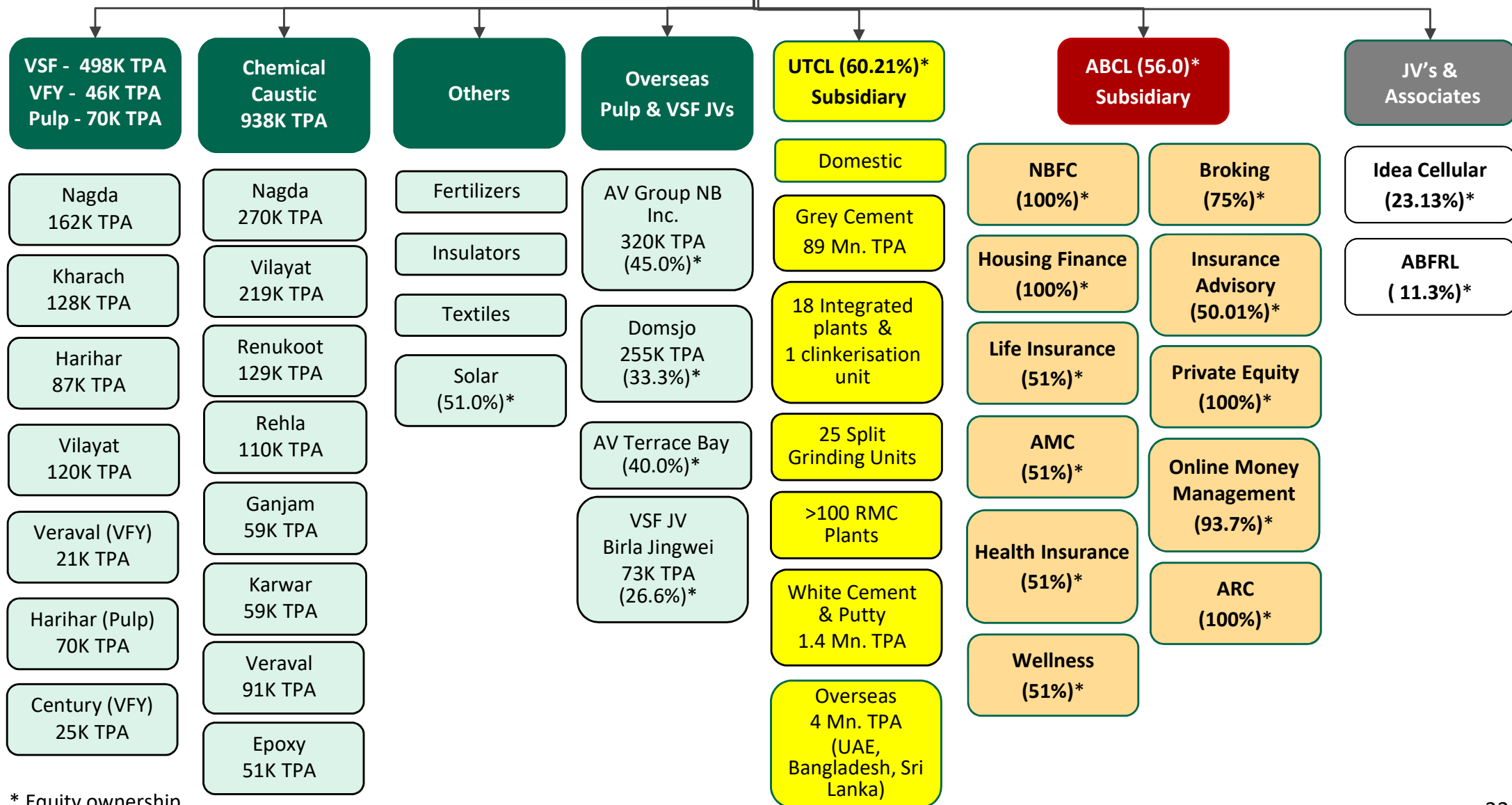


Revenues (Rs. Cr.)



- ▶ Idea witnessed strong subscriber additions of 12.2Mn (Net customer adds) on VLR in H2FY18 to 207.7Mn (Q4FY18)
- ▶ The voice usage per subscriber has improved to 577 minutes in Q4FY18 from 412 minutes in Q4FY17
- ▶ The broadband data usage per broadband data subscriber has witnessed a strong growth to 7GB in Q4FY18, compared to 1.4GB a year back
- ▶ The company completed fund raising of Rs.67.5 Bn through preferential allotment (Rs.32.5bn) and QIP (Rs.35 bn)
- ▶ The merger of Idea and Vodafone India is in the final leg of regulatory approvals and is expected to complete in H1CY18
- ▶ Idea had the lowest drop in AGR Revenue Market Share from 20.0% in CY16 to 19.5% in CY17 among the top 3 industry operators in spite of major gains by new 4G operator

Grasim: Group Structure



* Equity ownership

Forward Looking & Cautionary Statement

Certain statements in this report 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, feed stock 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 assume no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.

Country and Year of Incorporation: **India, 1947**

Listing: **India (BSE/NSE) , GDR (Luxembourg)**

Bloomberg Ticker: **GRASIM IB EQUITY , GRASIM IS EQUITY, GRAS LX (GDR)**

Business Description: **Viscose, Chemicals, Cement and Financial Services**

Market Cap (4th April 2018) : **Rs. 71,604 Cr. (USD 10.99 Bn)**

Grasim Industries Limited

Quarterly Performance Review

Q4 FY18, 23th May 2018