



Ref No: GIL/CFD/SEC/19/114/SE

18th February 2019

BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Scrip Code: 500300

The Secretary
Listing Department
The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Scrip Code: GRASIM

Dear Sirs,

Sub: Intimation of acquisition of the Chlor-Alkali Business of K.P.R. Industries (India) Limited

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached is the intimation of acquisition of the Chlor-Alkali Business of K.P.R. Industries (India) Limited by the Company.

The same is for your information and records.

Thank you.

Yours faithfully,

For Grasim Industries Limited

Hutokshi Wadia
President & Company Secretary



Encl: As above

Cc: Luxembourg Stock Exchange
Market & Surveillance Dept.,
P.O. Box 165, L-2011 Luxembourg,
Grand Duchy of Luxembourg, EUROPE

Citi Bank N.A.
Depository Receipt Services
388 Greenwich Street,
14th Floor, New York,
NY 10013

Citi Bank N.A.
Custodial Services
FIFC, 11th Floor, C-54 & 55, G Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051



18 February 2019

Acquisition of the Chlor-Alkali Business of K.P.R. Industries (India) Limited

Grasim Industries Limited (“**Grasim**”) today signed a definitive agreement to acquire the Chlor-Alkali Business (“**CAB**”) of K.P.R. Industries (India) Limited (“**KPR**”) by way of a slump sale, for a cash consideration of Rs.253 crore. The transaction will be funded through internal accruals. KPR would in turn utilize Rs.253 crore towards a full and final settlement of the lenders’ dues under a One-Time Settlement. The transaction is subject to regulatory approvals.

The Business consists of an under-construction 200 TPD Chlor-Alkali project at Balabhadrapuram, Andhra Pradesh. Grasim would take over the assets and identified liabilities associated with the Chlor-Alkali Business.

Says Dr. Santrupt B Misra, CEO, Birla Carbon Business; Director, Chemicals & Director, Group H.R., *“This acquisition is a strategic fit, and further strengthens our Group’s leadership in the chlor-alkali sector. Caustic Soda is a critical input in the aluminium sector. Given the expansion plans for the aluminium businesses, it will serve as an excellent sourcing point for leading aluminium players. We look forward to an early completion of this project.”*

The acquisition is in line with Grasim’s strategy to strengthen operations on the East Coast of India. Further, the purchase of a partially-completed project vis-à-vis a green-field project will translate into a shorter time-to-market. The acquired Business also has the potential for future expansions. Once operationalised, the project, along with other ongoing expansion projects, will enhance Grasim’s caustic soda capacity to 1.22 MMTPA.

Caustic soda is one of the essential inputs for the manufacture of alumina. It is also used widely in various other industries viz., Viscose Staple Fibre, water treatment, pharma, chemicals etc. The Business is strategically located in proximity of various aluminium manufacturing facilities, which offer significant growth opportunities.

The chlor-alkali division of Grasim already operates seven state of the art chlor-alkali plants pan India. The completion of this chlor-alkali project in Andhra Pradesh enables Grasim to serve the fastest growing market of caustic soda in India and also will catalyse growth of the chlorine downstream sector in Andhra Pradesh.