



Ref No: GIL/CFD/SEC/19/125/SE

16<sup>th</sup> March 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 under Regulation 30 of SEBI (LODR) Regulations, 2015**

The Deputy Commissioner of Income Tax (DCIT) had issued a Show Cause Notice on 11<sup>th</sup> February 2019, subsequently revised on 1<sup>st</sup> March 2019, as to why the provisions of section 115-O read with section 115-Q of the Income Tax Act, 1961 (the Act) should not be applied on the allotment of equity shares by Aditya Birla Capital Limited (ABCL) to the shareholders of the Company, pursuant to the Composite Scheme of Arrangement between Aditya Birla Nuvo Limited and Grasim Industries Limited and Aditya Birla Financial Services Limited (now known as ABCL) and their respective shareholders and creditors (the Scheme) duly approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, alleging that the Demerger of the Demerged Undertaking (as defined in the Scheme) is not in compliance with Section 2(19AA) of the Act. The Company had filed its detailed submissions in response to these notices.

The Company has, on 15<sup>th</sup> March 2019, received an Order dated 14<sup>th</sup> March 2019, issued by the DCIT raising a demand of Rs. 5,872.13 Crore on account of Dividend Distribution Tax (including interest). The DCIT, inter alia, held that as the demerger of the demerged undertaking (as defined in the Scheme) is not in compliance with Section 2(19 AA) of the Act, the value of shares allotted by ABCL to the shareholders of the Company, in consideration of the transfer and vesting of the Demerged Undertaking into ABCL, amounted to Dividend, within the meaning of the Act.



**Grasim Industries Limited**

Aditya Birla Centre, 'A' wing, 2<sup>nd</sup> Floor, S.K. Ahire Marg, Worli, Mumbai 400 030, India

T: +91 22 6652 5000 / 2499 5000 | F: +91 22 6652 5114 / 2499 5114

Email: grasim.secretarial@adityabirla.com | Website: www.grasim.com | CIN: L17124MP1947PLC000410



The Company is of the view that the aforesaid Order is not tenable in law. The necessary action(s) against the order is being taken by the Company.

The above information is pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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.**  
Depositary Receipt Services  
388 Greenwich Street,  
14<sup>th</sup> Floor, New York,  
NY 10013

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

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