



30th June 2016

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Department of Corporate Services
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Fort, Mumbai - 400 001
Fax: 022-22723121/ 3719/ 2037/ 2039

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051
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Dear Sir,

Sub: Investors & Analysts Meet

We refer to our letter dated 29th June 2016 on captioned subject.

Enclosed is the presentation which is being made at the Investors & Analysts Meet at Four Seasons Hotel, Mumbai today, 30th June 2016.

The aforesaid information is also being uploaded on the website of the Company www.grasim.com.

Thank You,

Yours faithfully,
For Grasim Industries Limited

Hutokshi Wadia
Sr. Vice President & Company Secretary

Encl: As Above



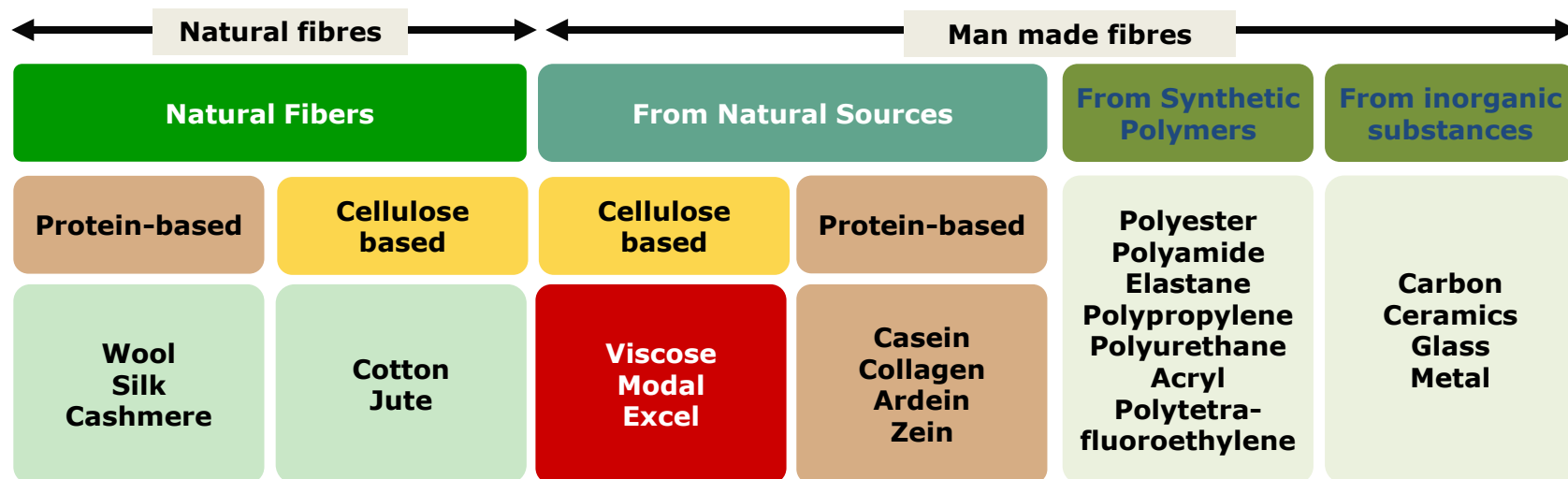
Creating Value in VSF Business

Grasim Industries Ltd.

June 30, 2016

Viscose is a cellulosic fibre with many unique attributes...

Viscose is a cellulosic fibre created from renewable natural resources



...and is the ideal alternative for cotton given its superior properties

Comfort

COTTON

- Good hand feel
- Good moisture absorption
- Soft and Comfortable

VISCOSE

- Moisture absorption much higher than that of cotton; **cools skin faster**
- **Soft and pleasant** to the skin
- **Lightweight**
- **No unpleasant odours**
- **No skin irritations**

POLYESTER

- Not so good hand feel
- Poor moisture absorption
- Uncomfortable, especially in summers

Look

- Wrinkles easily
- Poor drape
- Looks 'regular'

- **Brilliant Luster**
- **Excellent blending ability** with cotton and other fibres
- **Large range of colours and good drape**- first choice of high-fashion brands
- **Easy to style**

- Shiny bright
- Wrinkle resistant

Durability

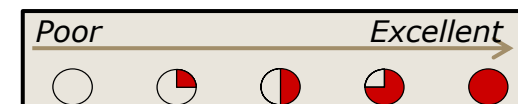
- Fades easily
- Shrinks on washing
- Good wet strength

- **Retains freshness** even after repeated washes
- Good wet strength in Modal & Lyocell

- High Wet Strength

At an overall level, viscose compares very favorably to both cotton and polyester

	COTTON	VISCOSE	MODAL	EXCEL	POLYESTER
Moisture Absorption	 7.5%	 13%	 13%	 13%	 0.4%
Wet/Dry Strength*	 1.14	 0.58	 0.63	 0.84	 1.01
Elongation-at-break	 8%	 19%	 15%	 13%	 15%
Tenacity (gpd)	 2.8	 2.9	 3.8	 4.2	 6.0
Wrinkle-resistant					
Ease of dyeing					
Hand (Surface feel)					
Drape					
Resistance to fading					
Ability to 'Breathe'					
Skin Friendly					



*-Ratio of Wet/Dry Tenacities

VSF Applications

- ✓ Women's Wear (Tops, Bottoms and Innerwear)
- ✓ Childrenswear
- ✓ Trousers & Suiting
- ✓ Uniforms
- ✓ Denim
- ✓ Wipes
- ✓ Feminine Hygiene Products
- ✓ Hospital Linens
- ✓ Home Textiles (Bed linen & Carpets)
- ✓ Furnishings
- ✓ and many more like Sarees

Blend Versatility

Most versatile fibre among all the textile fibres. Not only supplementary and complementary to cotton but also for blending with other synthetic and natural fibres to produce value added yarns.

Technology Versatility

Can be run on all type of technologies like Ring, Open End, Air Jet due to its natural advantages of being soft and clean fibre.

Application Versatility

VSF based yarns have large no. of applications ranging from non woven to knits, apparels, gum tapes, sewing threads, carpets, upholstery and so on so forth.



VSF Industry : Major Challenges in the Past

- ❑ **Despite superior properties and unique value proposition to consumers, VSF growth was low**
 - Consumer and value chain not well aware about VSF or its benefits while quite aware of Cotton and Polyester.
 - In fact most thought of it as “something synthetic”
 - Value chain was not geared to process viscose based fabrics as most investments driven towards Cotton/Polyester
- ❑ **Excess capacity, specially in China resulting in severe pressure on prices & margins across Global markets.**
- ❑ Additional capacity was also being added by Grasim at Vilayat

Clearly needed to do something differently and grow the VSF market in India

Influence the end consumers to create a pull for VSF based garments & to enable the value chain to profitably deliver superior quality products.



Brand LIVA & LAPF

A B2C Brand in the Earshot of Trade

Preparatory work 2013-2015 (Prior to Brand Launch)

- a. Consumer research & analysis to understand preferences and choices.
- b. The right positioning & value preposition.
- c. Preparing the value chain for partnership.
- d. Creating an internal organization structure to support the strategy.

**CONSUMER
UNDERSTANDING AT THE
HEART OF BRAND
CREATION**



**MORE THAN 400 HIGH
FASHION CONSUMERS
HEARD**

**RIGOROUS RESEARCH PROTOCOL AT
EACH STEP**

**ANCHORED *BY A CREDIBLE RESEARCH
AGENCY***

**CONSUMERS GAVE
A BIG THUMBS UP TO LIVA!**

Step 1: Fundamental Consumer Understanding

– A starting point

Unraveled a highly evolved consumer who is not just fashion forward or trendsetter , but also a true fashionista who leads an 'unboxed life' to express the woman she truly is..

I can **be a celebrity** if I dress like one- its accessible

Its fine to **showcase my femininity**.. I am not shy/ coy anymore

It's a race to look good , I will give it the **time , energy and use my money wisely** to select clothes that make me come out tops – edge above the others



Must stand out, must be the first few to wear what's in.. **Must know the new store**, the new brand, the new model

Want to look westernized as that is a symbol of smartness, intelligence and modernity

Dressing up is my tool to my power- power over men, power and impression in office, power in social circles

Source : Birla Cellulose - Quantum U&A: Mumbai & Delhi

- *Its in sync with my body*
- *It drapes my body just right*
- *It makes me look slim*
- *It makes me feel soft & feminine*
- *Its like the fur of a rabbit, a new born baby's skin*
- *It makes me feel like the new age women*
- *Its light, relaxing, comforting, no tension , calming*

'A sense of flow combined with natural softness & comfort'



Viscose fills the market gap with its distinct values that resonated with consumers

Step : 3 We Clustered Key Values That Consumers Appreciated

—thus providing us the opportunity of creating a powerful brand promise

Gives a luxurious **soft** touch

Imparts a **fluid drape**

Makes her look **gracefully sensuous**

Eco Friendly choice in fashion

Source : Lintas Brand Tool - Sun Moon Analysis

....AND THE CONSUMER VERDICT ! FLUDITY AS CONSUMER PROMISE RESONATED THE MOST

Consumer Feedback

High comfort & sensorial value

"It will feel soft and smooth on your body....will give a soothing feeling to the body"

18-23 years, A I + Delhi

Glamour, style & impact creation

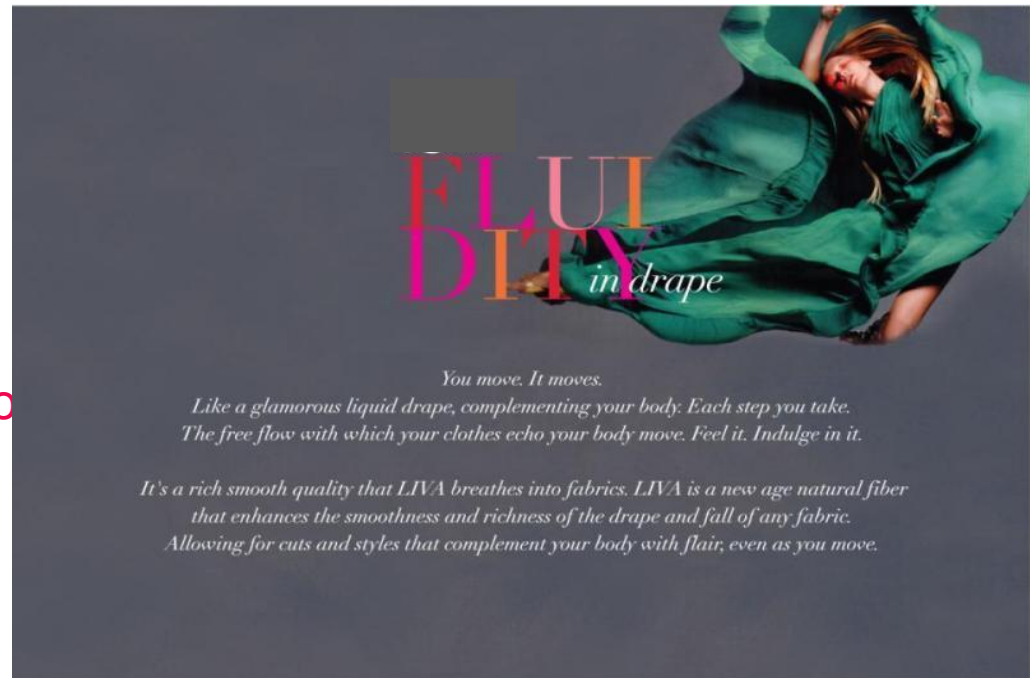
"This will give you the confidence to stand out & make an impression...people will ask about it..admire you.."

25- 35 years/ A1/ Delhi

Personalized signature style

"it is free falling...you can give any type of styling to it.."

25-35 years, A1 +/ HW, Mumbai



(*Quantum Research , fashion forward women (A1+ & A1) , 24- 30 yr old, Mumbai & Delhi)

Core Proposition

Research endorsed core benefit = **Drape**



Led to a very enchanting word that
consumer loved



Fluidity



Natural Fluid Fashion

Brand Logo



(Research by: Quantum India , F SEC A 25- 35 ,Mumbai & Delhi

LIVA stands for the **high quality fabrics** made using natural **cellulosic fibres** of **Aditya Birla Group**, delivered through **an accredited value chain**



BRAND VISION

To provide consumers the **freedom to move effortlessly**, confidently & naturally through garments that **celebrate natural fluid fashion with LIVA fabrics**

Accredited Supply Chain : LAPF Program – Marketing to Value Chain

LIVA Accreditation Partner Forum

1. Partners assessed for their ability to deliver on Liva promise
2. Liva norms defined and shared
 - Liva percentage in yarn/ fabric/ garment defined to qualify
 - Quality norms
3. Ensures capacity readiness, Liva usage and consistent flow-through volumes, linking different parts of the fragmented garment supply chain
4. Periodic audits to ensure adherence to norms

Creating marks of identity



Certificate



Integration in visiting cards

Delivering the program

Liva branding on partner output



As per the visibility & traceability norms defined, allowing partners to brand their products with Liva

Partnering with Value chain to propagate Liva philosophy at industry events



Ref Image

Expectations from partners defined

Engagement Plan with set of partners, creating a community

29 Fabricators and 92 processors and 35 spinners are on-board

Supporting Value Chain to use VSF and enhancing Value for the Customer

Our Brand

- Making an aspirational Brand & mass market follows the trend
- Co-market the brand as widely and deeply including distribution

1

Brand & Communication Development

- To make our brand and its promise the most aspirational fashion. So that consumers want to buy/ experience it

2

Marketing in Retail & Distribution

- To ensure availability / presence in relevant retail channels with
 - Higher visibility with premium brands
 - Selective visibility with mastige brands
 - Radiating by creating pull with wholesalers

3

Accredited Supply Chain

- To build capability & ensure consistent delivery of quality fabrics and working closely in creating accredited partnerships in the entire value chain

4

Design & Innovation

- Constantly innovate to showcase possibilities with viscose and variants to value chain and front end brands
- Holistic engagement with designers to create fashion credibility

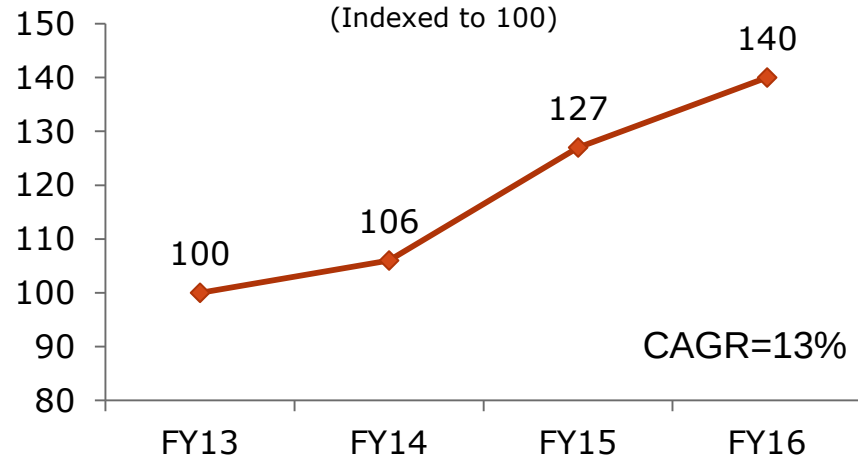
Formal Launch on 27th March, 2015



Results – Market Development Efforts

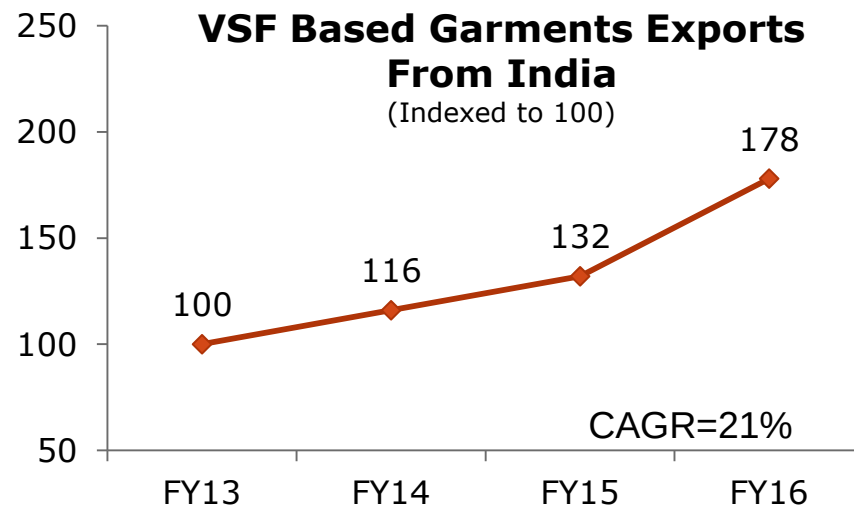
VSF Volume Growth in India

(Indexed to 100)



VSF Based Garments Exports From India

(Indexed to 100)



	SS15	AW15	SS16
No. of Brand Partners	12	16	24
No of LIVA Tagged Garments (Mn.)	1.8	2.1	7.0
No of Stores	~1300	~1400	~1800

Some Major Brand Partners

Van Heusen (WW)	Crimsoune Club	Park Avenue Women
Allen Solly (WW)	Shopperstop	Lifestyle retail
Global Desi	Max	Reliance Retail
109F	ITC	Future Group (FBB)
Fusion Beats	Biba	Unlimited (Megamart)
Pantaloon (WW)	Aurelia	Madame
People (ABN)	Imara	Soch

- Strengthen the Brand awareness, Category comprehension and "call for action" amongst current Target Group
- Brand Extension for Value Added Products like Modal, Spunshades
- Brand extension to other segments like Men's Wear and Home Textiles
- Strengthen and deepen the LAPF program

Thank You