ADITYA BIRLA
GRASIM

Ref. No. GIL/CFD/SEC/17/028/SE **11th August 2016**

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Dear Sirs,

Re: Intimation under Reg. 30 of SEBI LODR –

Presentation on the Composite Scheme of Arrangement

This is further to our letter of date sent by us informing that the Board of Directors of the Company in their meeting held today have considered and approved a Composite Scheme of Arrangement between the Company, Aditya Birla Nuvo Limited and Aditya Birla Financial Services Limited and their respective shareholders and creditors u/s Sections 391 to 394 of the Companies Act, 1956 ["the Composite Scheme"].

We are now sending herewith a copy of the Presentation on the Composite Scheme which shall be presented to our Investors and also posted on our website.

The above is for your information and record.

Thanking you,

Yours faithfully,
For **Grasim Industries Limited**

Hutokshi Wadia
President & Company Secretary

Encl. a.a.

GRASIM INDUSTRIES LIMITED MUMBAI

Grasim Industries Limited
Aditya Birla Centre, 'A' Wing, 2nd Floor
S.K. Ahire Marg, Worli, Mumbai 400 030. India

Telephone +91 22 66525000, 24995000
Fax +91 22 66525114, 24995114

CIN L17124MP1947PLC000410
E-mail grasimcfd@adityabirla.com
Website www.grasim.com

Regd. Office P.O. Birlagram, Nagda - 456 331 (M.P.)



Creating A Premier Play on India's Growth

August 11, 2016

ADITYA BIRLA
GRASIM

ADITYA BIRLA
NUVO

Transaction Overview

1. **Merger of Aditya Birla Nuvo Limited ("Aditya Birla Nuvo") into Grasim Industries Limited ("Grasim")**

2. **Restructuring results in listing of our financial services business**

   - **57% owned by post-merger Grasim and balance being held by its shareholders (post-merger Grasim) on a proportionate basis**

A 'play on the India growth story' with market leading manufacturing and services businesses

Transaction Highlights

- ✓ **Consolidation of fast growing businesses with a strong, stable cash flow portfolio**
- ✓ **Value un-locking for shareholders via the listing of financial services**
- ✓ **Simplifies Group structure – consolidation of similar businesses and stakes**

Consolidated Financial Performance

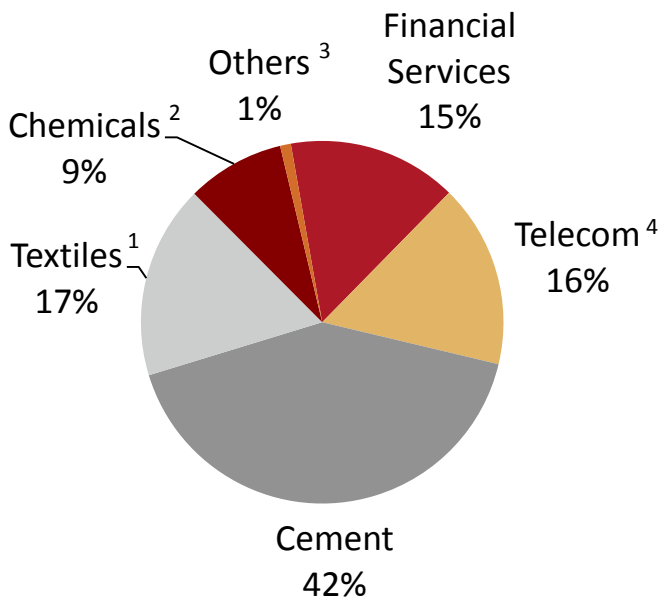
FY16 figures in Rs. Crores

	Grasim		Aditya Birla Nuvo		Aggregate
Revenue	36,637	+	23,129	=	59,766
EBITDA	7,025	+	4,935	=	11,961
PAT	2,359	+	1,886	=	4,245

Notes: Aggregate financials are only for illustrative purposes and may not be the exact presentation of consolidated accounts. EBITDA for Aditya Birla Nuvo has been adjusted for NBFC finance costs

Creating A Premier Play on India's Growth

Post-restructuring (Aggregate Revenue FY16)



Aggregate revenue: Rs. 61,475 crores
(including proportionate share of Idea's revenues in Grasim)

Manufacturing (68%)

- ***Cement***
- ***Textiles***
- ***Chemicals***
- ***Insulators***
- ***Solar***

Services (32%)

Financial services
Financing
Insurance
Asset Management
Wealth Management
Payments Bank

Telecom

- ***Merger of the businesses provides shareholders with a well-diversified portfolio***
- ***Cement, Financial Services and Telecom represent three high growth sectors in the economy – creating a play on India's consumption story***

The Best Proxy to India's Economy

(1) Textiles includes VSF & Pulp, VFY and Linen; (2) Chemicals includes Chlor-Alkali and Agri-Inputs; (3) Others includes Insulators, Solar Power; (4) Represents proportionate share of Grasim and Aditya Birla Nuvo in the revenues of Idea Cellular. Above aggregate financials are for illustrative purposes only.

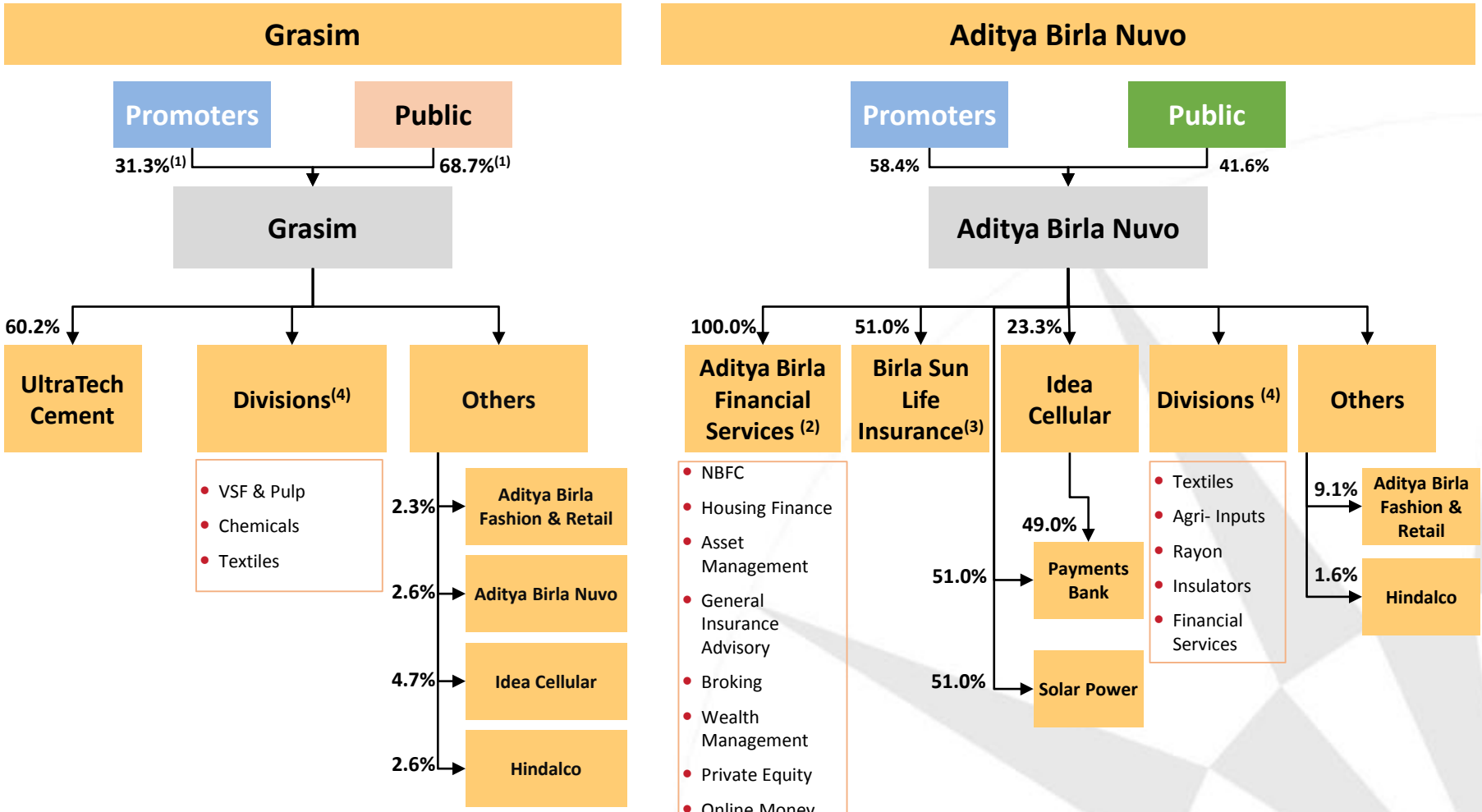
Making of A New Bluechip



- ✓ Financial Strength
- ✓ Operational Finesse
- ✓ High Quality Management Team

Unique portfolio of businesses with a well-capitalized asset base, diversified revenue stream and strong cash-flow generation

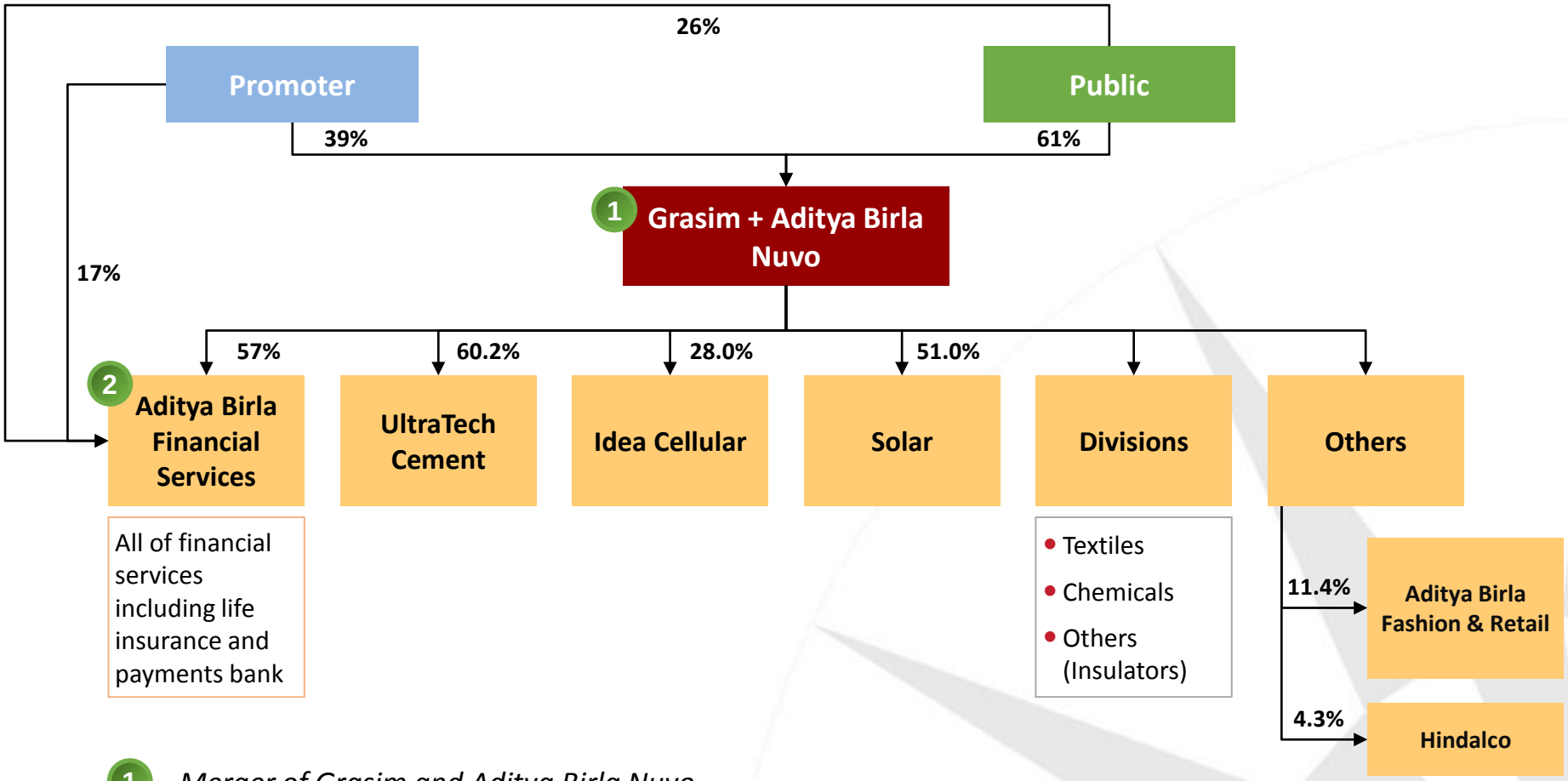
Current Holding Structure



Note: Shareholding as of June 30, 2016

(1) Includes GDRs listed on Luxembourg Stock Exchange; (2) Financial services businesses reside in separate subsidiaries / Joint Ventures under Aditya Birla Financial Services Limited; (3) Aditya Birla Nuvo will enter into an agreement to transfer this stake to Aditya Birla Financial Services Limited subject to regulatory approvals; (4) Divisions have underlying investments

Resultant Holding Structure



1 *Merger of Grasim and Aditya Birla Nuvo*

2 *Demerger of financial services business as a separate listed entity*

Resulting Swap Ratios

- **3 equity shares of Grasim for every 10 equity shares of Aditya Birla Nuvo**
- **7 shares of Aditya Birla Financial Services for every 1 equity shares of Grasim (post merger)**

For Illustrative Purposes

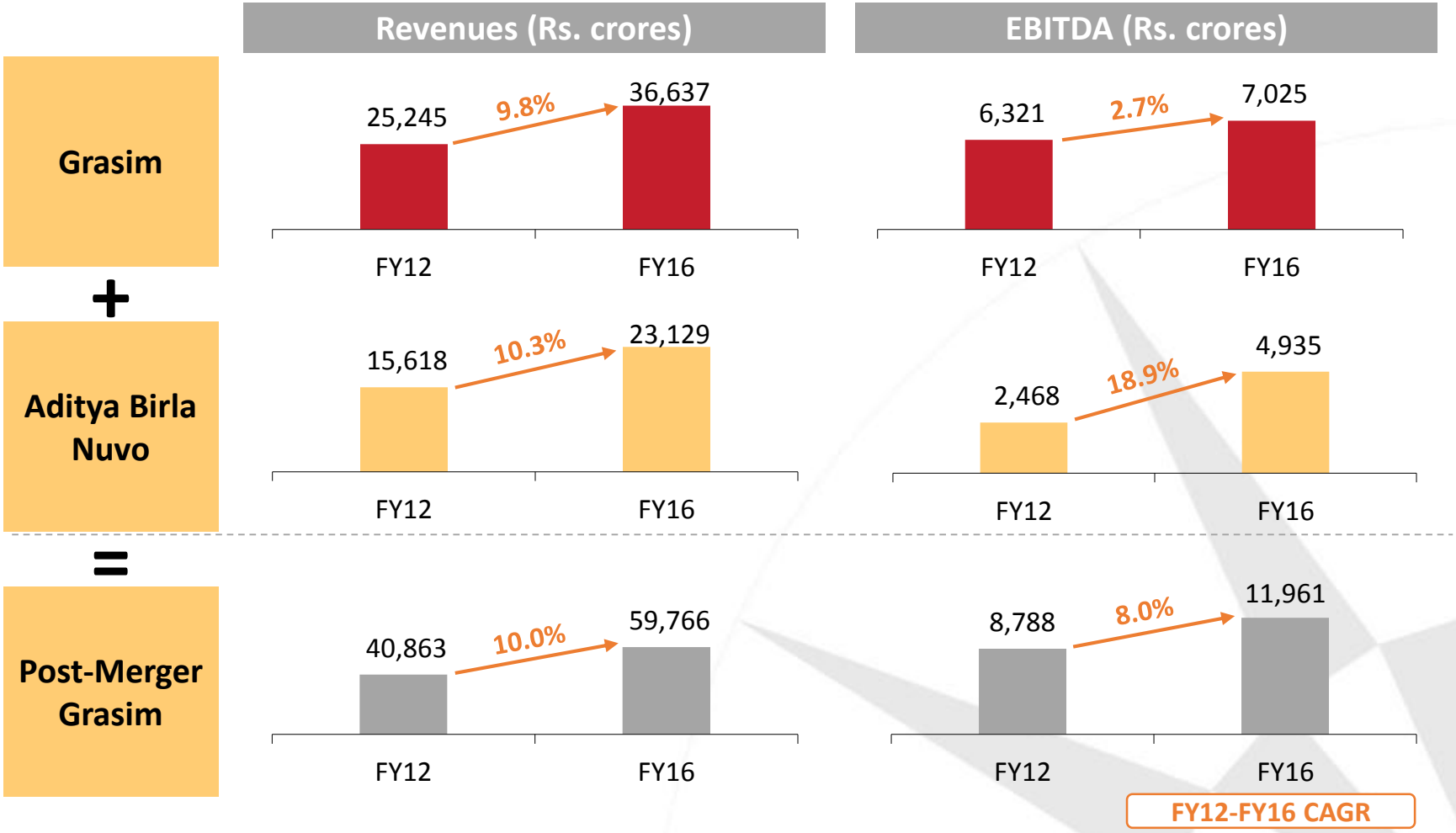
- A shareholder holding 100 shares in **Aditya Birla Nuvo** will get 30 shares of Grasim and 210 shares of Aditya Birla Financial Services
- A shareholder holding 100 shares in **Grasim** will continue to hold 100 shares in Grasim and in addition will get 700 shares of Aditya Birla Financial Services

(*) Pursuant to the sub division of the face value of equity shares of Grasim, the swap ratio will be adjusted accordingly

Post Merger Grasim…

Financial Services	Telecom	Cement	Textiles	Chemicals
• AUM of ~Rs. 196,545 crores (Q1FY17) • Broad based portfolio with 12 lines of businesses • Top 4 private sector life insurers & asset management companies in India • One of the fastest growing large NBFCs with best-in-class asset quality	• Fastest growing large operator in India • 3rd largest operator by revenue market share • 16% shareholding in Indus, one of the world's largest tower companies	• #1 cement company in India with largest selling brand • Market leader in RMC and white cement • Amongst the most profitable and fastest growing with pan-India operations	• Leading global player in VSF • #1 producer and exporter of VFY in India • India's leading linen manufacturer	• Largest Chlor-Alkali manufacturer in India • One of the most energy efficient urea plants in India

Consolidated Financial Performance



An optimum combination of cash generating and high growth businesses

Notes: Aditya Birla Nuvo financials for FY12 adjusted to the extent of continuing business as on date and hence exclude Carbon Black, Fashion & Retail and IT & ITeS divested / de-merged in FY 14 and FY 15. Aggregate financials are only for illustrative purposes and may not be the exact presentation of consolidated accounts. EBITDA for Grasim and Aditya Birla Nuvo includes Other Income.

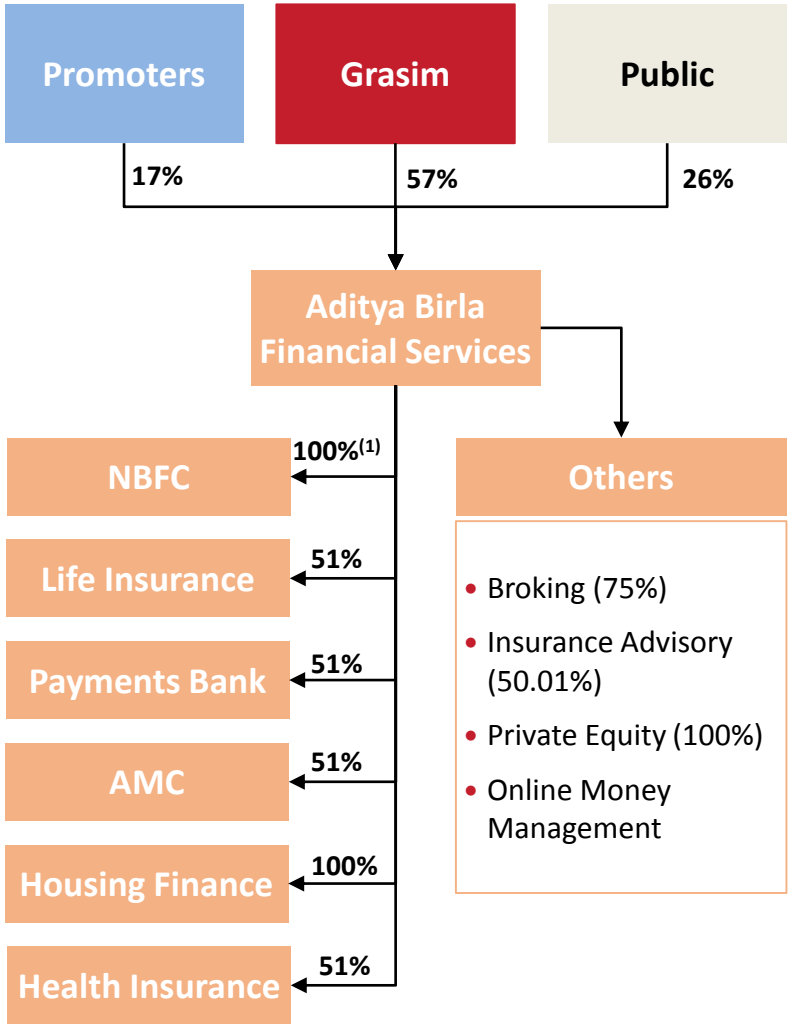
Transaction Details

- The transaction is subject to regulatory approvals including the Stock Exchanges; High Courts (Madhya Pradesh & Gujarat); Competition Commission of India etc.
- The transaction is likely to be completed by Q4 FY17 / Q1 FY18

Advisors	
Financial Advisor	• DSP Merrill Lynch Limited(1)
Independent Fairness Opinion	• Grasim – JM Financial Institutional Securities Limited • Aditya Birla Nuvo – Kotak Mahindra Capital Company Limited
Legal Advisor	• Khaitan & Co (*for overall transaction*) • Cyril Amarchand Mangaldas (*for Financial Services*)
Joint Independent Valuers	• Price Waterhouse & Co LLP • Bansi S Mehta & Co

(1) Financial advisor to Grasim

Aditya Birla Financial Services – A Significant Non-Bank Financial Services Player

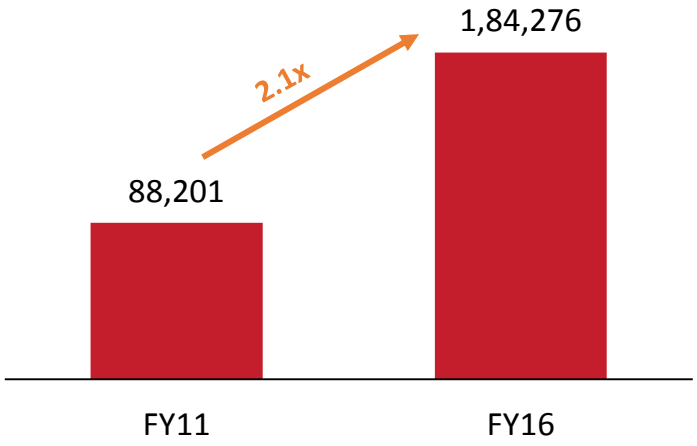


(1) 0.2% stake will be directly held by Grasim

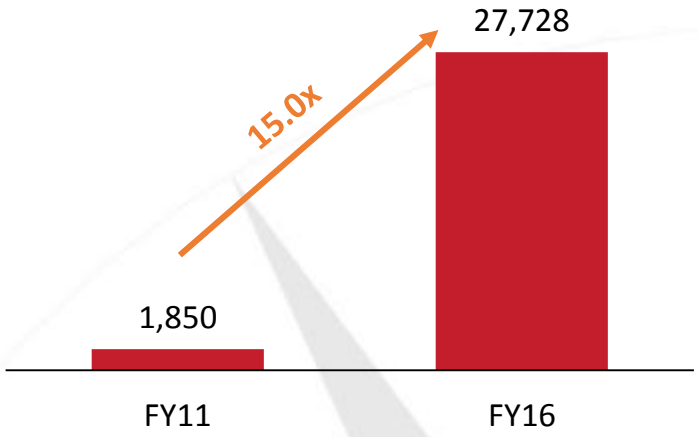
- ✓ **Among the top 5 fund managers in India (excl. LIC)**
- ✓ **Rs. 196,545 crores Funds under management**
  (As of Q1 FY17: Includes AUM of Life Insurance, Private Equity and quarterly average AUM of Asset Management business)
- ✓ **Rs. 28,700 crores Lending book (incl. Housing Finance)**
- ✓ **Among the top 10 diversified private NBFCs in India**
- ✓ **Among top 4 private sector life insurers and asset management companies in India**
- ✓ **#1 online personal finance management player**
- ✓ **Serving 8.8mn customers through nationwide distribution network of 1,350 points of presence and > 120,000 channel partners**

Aditya Birla Financial Services – Sound Growth in Key Metrics

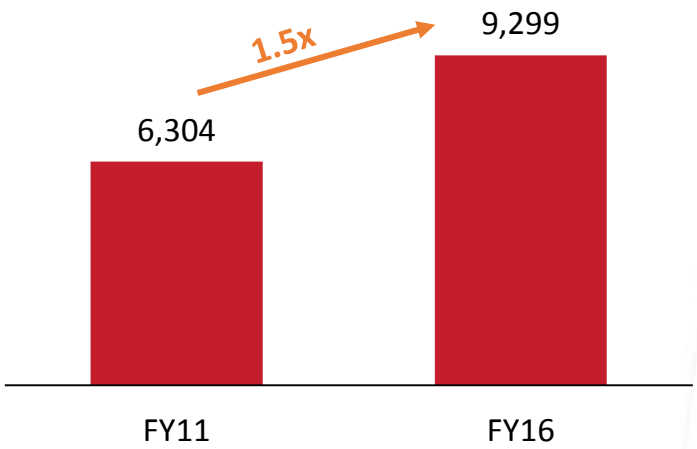
AUM (Rs. Crores)



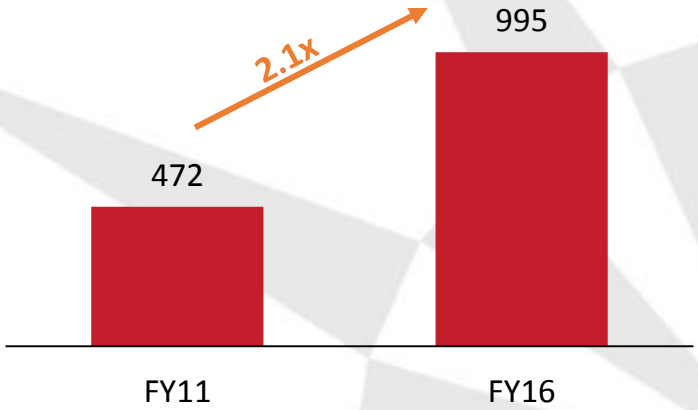
Lending Book (Rs. Crores)



Revenues (Rs. Crores)



Earnings Before Tax (Rs. Crores)



Overview of Businesses

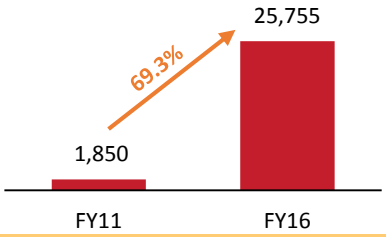
NBFC – Robust Growth Profile With Quality Loan Book

- Among the top 10 diversified private NBFCs in India
- Diversified portfolio with All-India presence
- One of the lowest NPAs in the industry – GNPA 0.63% and 0.71% and NNPA 0.22% and 0.29% for FY16 and Q1FY17 respectively
- Net worth of Rs. 3,823 crores (1) as of 30 June 2016
- Loan Book of Rs. 26,267 crores as of 30 June 2016
- AA+ credit rating

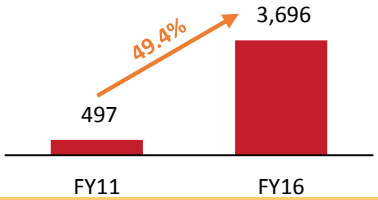
AMC – Gaining Market Share Consistently

- 4th largest in India
- AAUM of Rs. 1,63,121 crores (Q1 FY17)
- Consistently outperforming the industry and gaining domestic market share
- Strong focus on scaling-up retail and high margin assets
- Multi-channel distribution
- Top quality fund performance across asset classes

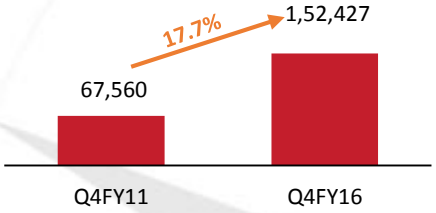
Loan book (Rs. Crores)



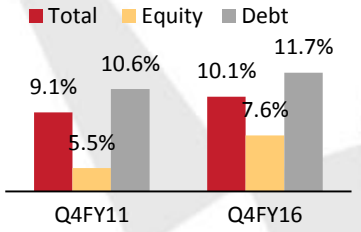
Net Worth (Rs. Crores)



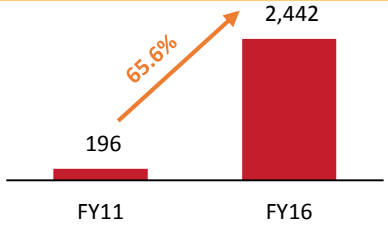
AAUM (Rs. Crores)



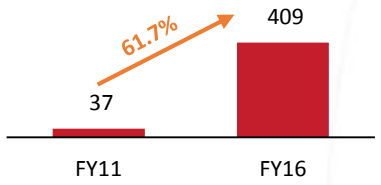
Market share



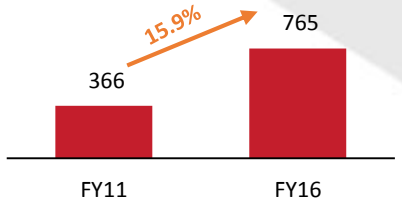
Revenues (Rs. Crores)



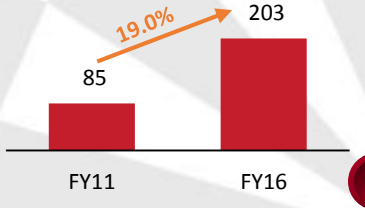
Net Profit (Rs. Crores)



Revenues (Rs. Crores)



Net Profit (Rs. Crores)



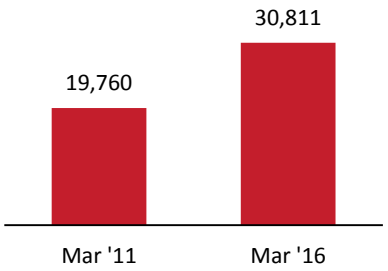
(1) As per IGAAP; corresponding IndAS number is Rs. 3,605 crores

Overview of Businesses (Cont'd)

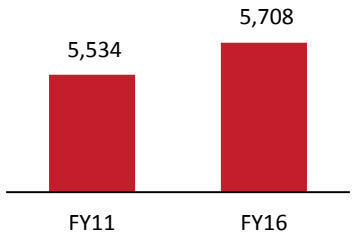
Life Insurance – Top 4 Private Life Insurer

- Among top 4 private insurers in India (by APE) with new business market share of 8.4% in Q1FY17
- #1 in group business with 25% market share in Q1FY17
- Multi-channel distribution
- Diversified product portfolio
- Embedded Value of Rs. 3,275 crores with VNB margin of 15.2% (as of Mar-16)

AUM (Rs. Crores)



Revenues (Rs. Crores)



Portfolio of Other Businesses

- **Aditya Birla Housing Finance:** Commenced operations in October 2014 and currently has a loan book of Rs. 2,432 crores and Networth of Rs. 291 crores (June 2016)
- **Aditya Birla Insurance Brokers:** Consistently gaining market share (0.5% in FY 12 growing to 1.7% in FY16); Premium placement of Rs. 1,600 crores in FY16
- **Aditya Birla Capital Advisors:** Funds under management of Rs. 1,035 crores
- **Aditya Birla Health Insurance:** 51:49 JV with MMI Holdings. Plans to launch services in H2FY17
- **Broking and wealth management** player under the brand name "Aditya Birla Money"
- **MyUniverse** is India's #1 online personal finance management platform and 7th largest SIP distributor by numbers in India
  - Enjoying trust of > 2.6mn registered users who are managing > Rs. 20,000 crores through the platform
- **Payments Bank:** 51:49 JV with Idea. Capitalising on Idea's nationwide reach and subscriber base of ~183mn

Notes: APE: Annual Premium Equivalent = 100% of regular premium + 10% of single premium

Win-Win For All

Benefits to Grasim Shareholders

- Exposure to fast growing sectors – *Financial Services & Telecom*
- Diverse portfolio of businesses with leadership positions
- Long horizon of growth

Benefits to Aditya Birla Nuvo Shareholders

- Direct exposure to businesses with strong free cash flow generation – *Cement & VSF*
- Larger capitalization with better liquidity

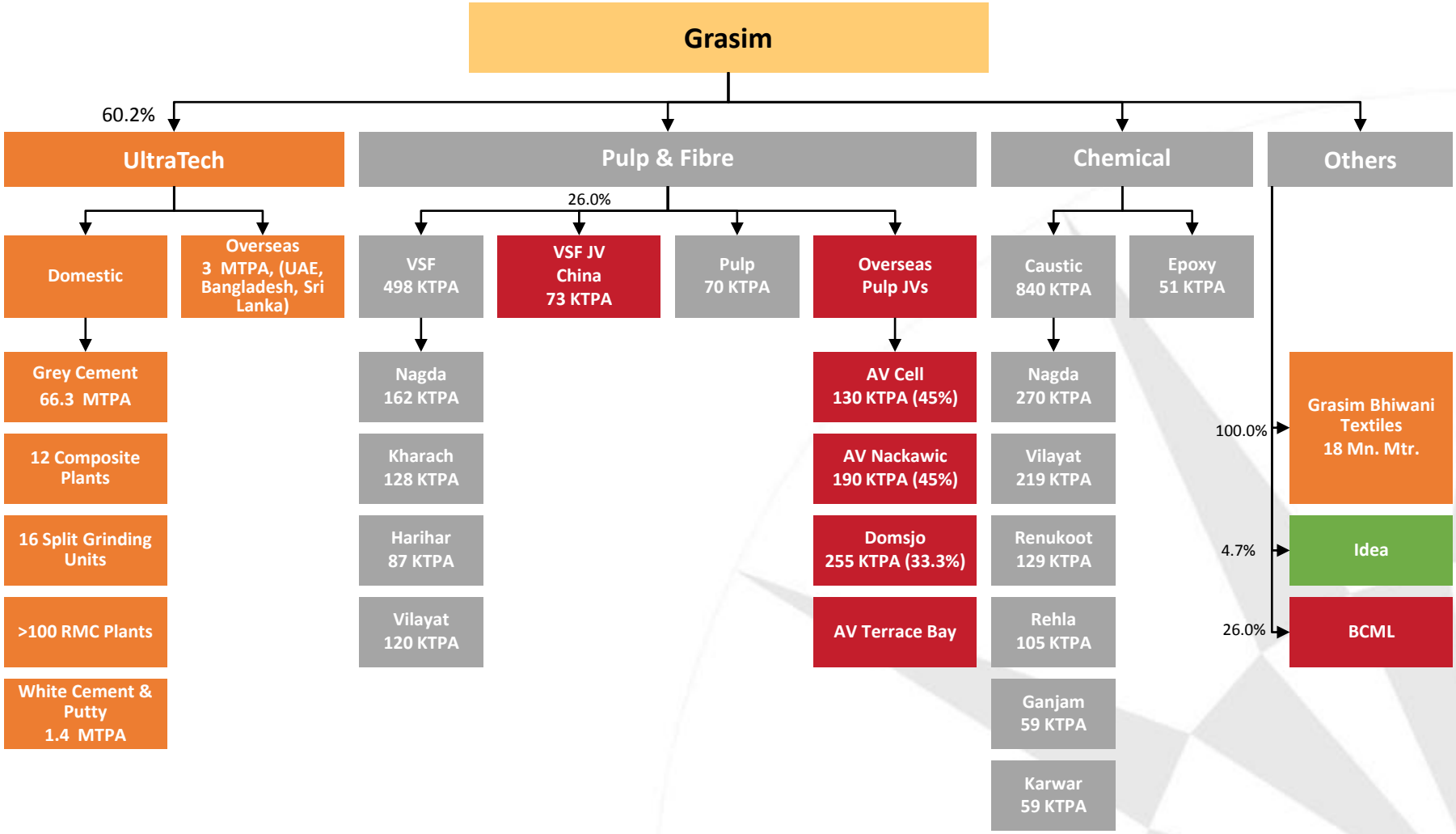
Common Benefits

- Value unlocking through the listing of the financial services business
- Simplifies group structure and consolidates similar businesses and stakes
- Option for shareholders to invest in Grasim post merger or directly into the operating companies of the Group

Thank You

Appendix

Grasim - Current Corporate Structure



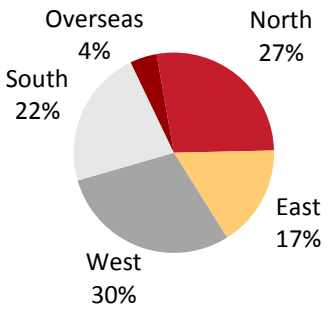
UltraTech Cement – India's Largest Cement Company

Business Highlights

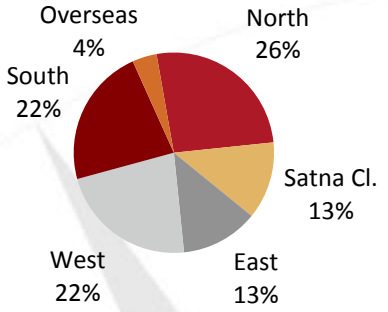
- ✓ India's largest cement company - ~17% of India's total capacity
- ✓ Best positioned to capture the upside
  - The Largest Selling Brand
  - The Best Distribution Network
  - Cost Leadership
- ✓ #1 RMC player in India with ~ 100 plants
- ✓ #1 player of white cement & cement based putty
- ✓ Different products to provide complete building solutions; > 1,200 stores

Key metrics

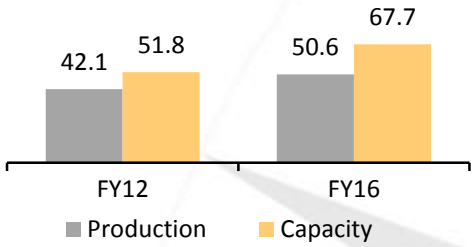
Current: 69.3mtpa



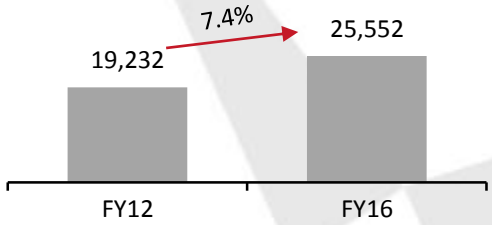
Post Ongoing Acquisition: 91.1mtpa



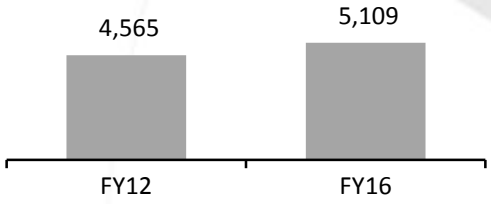
Production (MT)



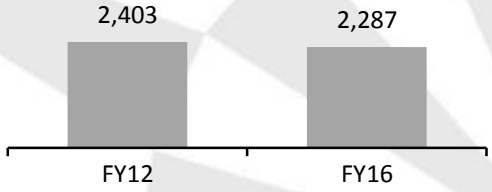
Revenue (Rs. crores)



EBITDA (Rs. crores)



PAT (Rs. crores)



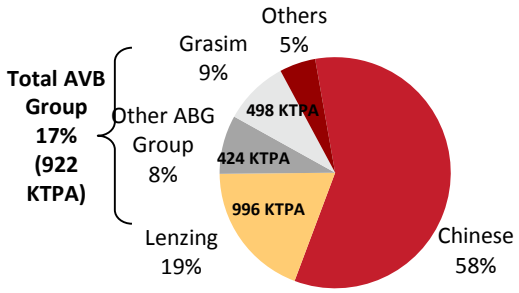
Note: Production, capacity and financials all pertain to the consolidated entity

Viscose Staple Fibre – Leading Global Player

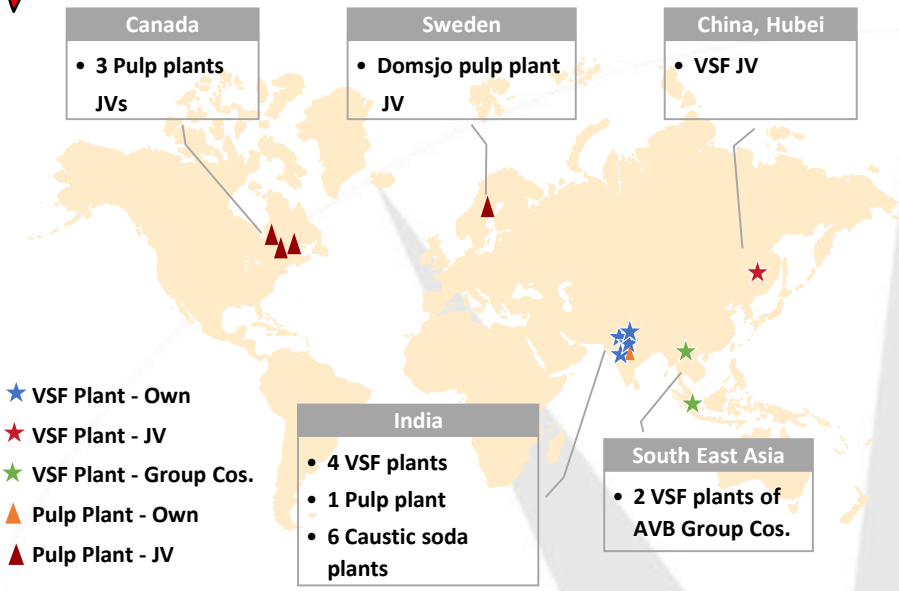
- ✓ Integrated model with six decades of experience
- ✓ VSF market poised for growth as textile consumption in India expected to grow
- ✓ Grasim continues to focus on expanding in domestic market
  - Working closely to leverage Liva brand
  - Focused on increasing share of specialty products
- FY16 Revenue: Rs. 7,609 cr
- FY16 EBITDA: Rs. 1,093 cr

Leading Global Player

VSF Business Global Market Share



5 VSF Plants and 5 Pulp Plants Across 4 Countries



Sustainable Competitive Advantage through Integrated Business Model

Input	% of Cost	Capacity	Requirement Met
Dissolving Grade Pulp	55% - 60%	645 ktpa	55% - 60%
Caustic Soda	10% - 15%	840 ktpa	Fully captive
Power & Steam	10%	290 MW	Fully captive

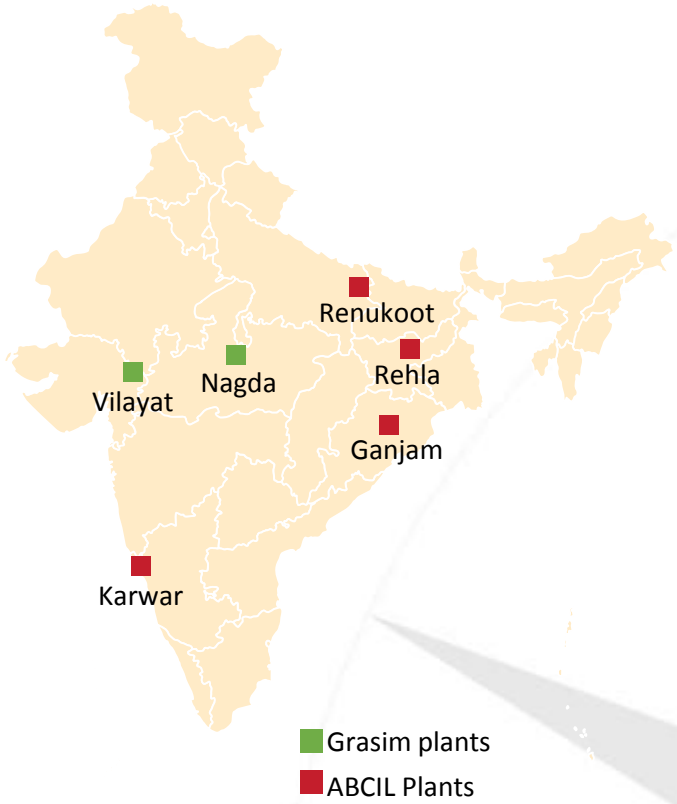
Chemicals - Largest Chlor-Alkali Manufacturer

Business Highlights

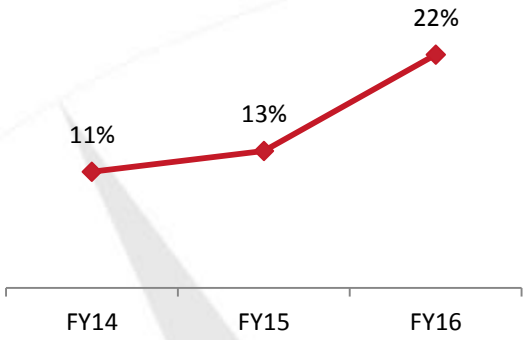
- ✓ **Largest Chlor-alkali manufacturer in India**
  - Capacity: 840 ktpa
  - Capacity to increase by 25% on brownfield expansion and debottlenecking
- ✓ **Largest producer of epoxy resins in India**
- ✓ **Largest chlorine derivative value-added product portfolio**
- ✓ **Market share doubled since FY14 post merger of ABCIL & Vilayat greenfield capacity**
- ✓ **Continued growth prospects driven by demand from textiles, aluminum, soaps & detergents and paper industries**

- **FY16 Revenue[2]: Rs. 2,868 cr**
- **FY16 EBITDA: Rs. 747 cr**

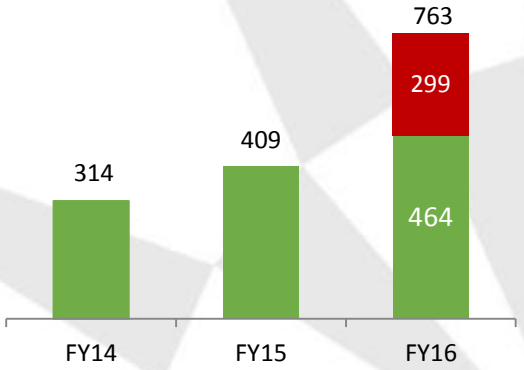
Market Share and Volume Doubled Since FY14



Market Share [1]

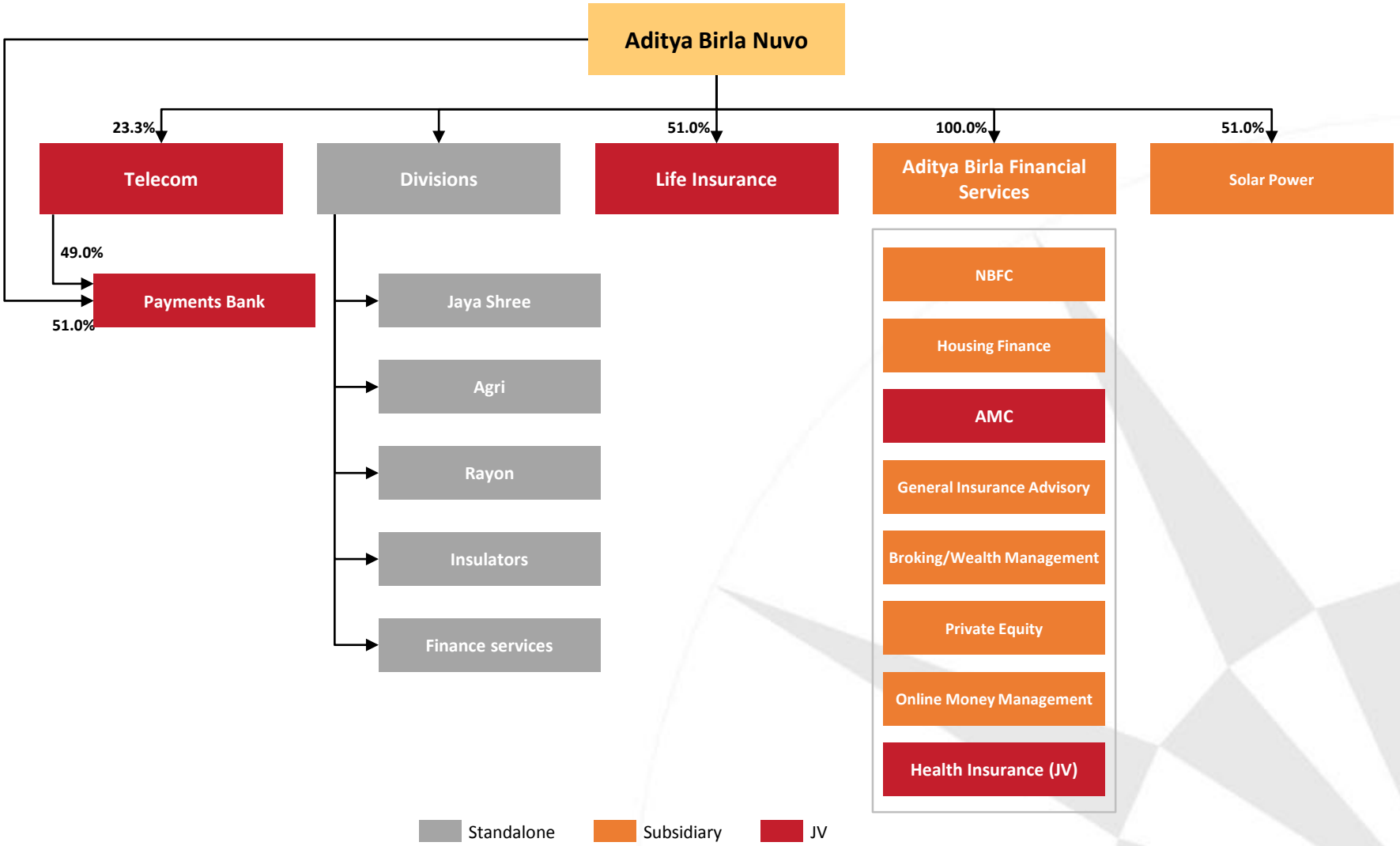


Sales Volume ('000 Tons) [3]



(1) Source : AMAI and Company data. Market share refers to the total demand including imports
(2) Revenues excludes inter-segment sales
(3) Includes captive consumption

Aditya Birla Nuvo - Current Corporate Structure



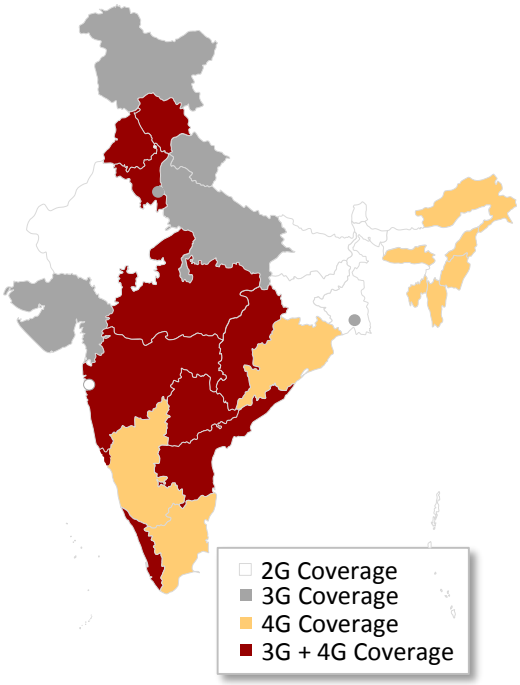
Notes:
Percentage figures indicated above represent ABNL's Shareholding in its subsidiaries/JV's; Major investments include 9.1% stake in Aditya Birla Fashion & Retail Ltd.

Idea Cellular – Fastest Growing Telco in India

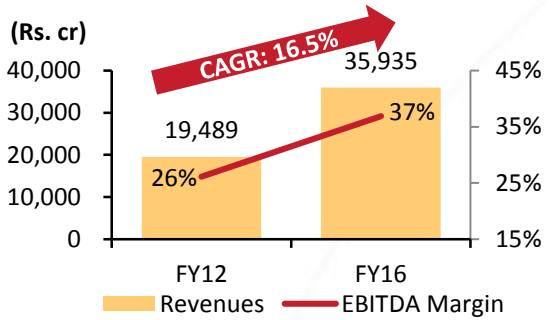
Fastest growing telecom operator in the world's most attractive telecom market

- #3 mobile operator with ~183 million (VLR) subscribers
- 16% shareholding in Indus. One of the world's largest tower companies
- 3G / 4G spectrum covering 87% of revenues
- Entering digital content services

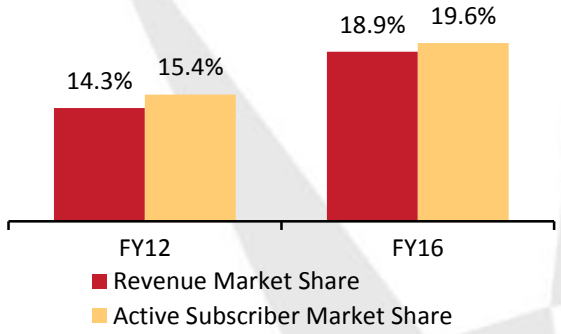
Pan India Operator with Competitive 3G/4G Spectrum



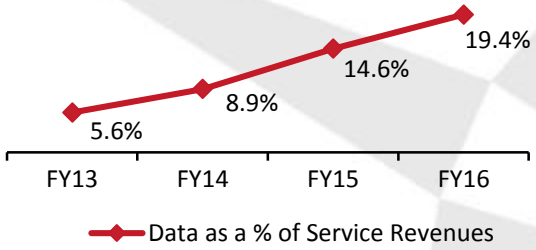
Robust Financial Performance



Consistent Gains in Market Share

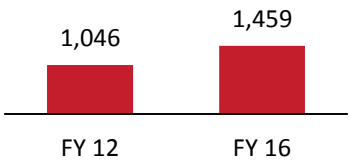
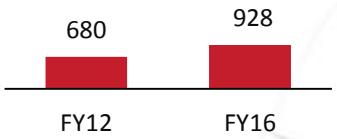
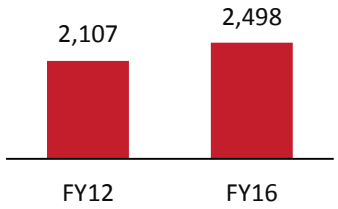
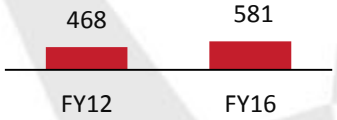
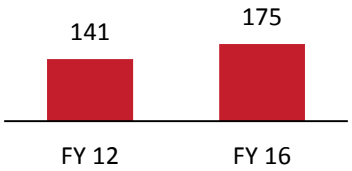
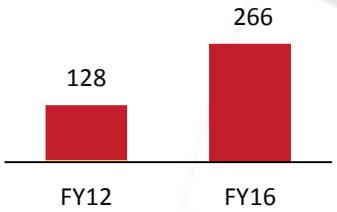
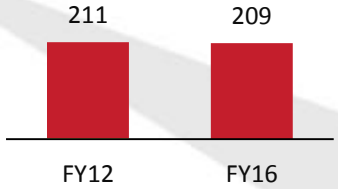
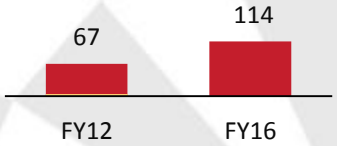


Strong Data Growth



Notes: Subscriber numbers and market share based on VLR

Aditya Birla Nuvo – Other Businesses

	Jaya Shree	Indian Rayon	Indo-Gulf Fertilisers	Aditya Birla Insulators
Market Position	■ **India's #1 Linen player** ■ Leading manufacturer of wool tops & worsted yarn	■ **Largest manufacturer & exporter of VFY in India**	■ **8th largest urea manufacturer** ■ Amongst top 2 energy efficient urea plants in India	■ **India's largest & world's 4th largest manufacturer**
Opportunity & Outlook	■ 70% of linen yarn demand in India is met through imports	■ Premium is driven by quality & value added yarns ■ Indian market continues to favour fine & super fine denier yarn	■ Acute deficit of urea in India – 28% of demand via imports during FY 16 ■ Gas pooling policy will benefit the urea sector	■ Long term anti-dumping duty (till September 2019) to benefit domestic manufacturers
Revenue (Rs. crores)				
EBITDA (Rs. crores)				
ROACE (FY16)	**44%**	**30%**	**11%**	**22%**

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