



Ref No. GIL/CFD/SEC/18/142/SE

2nd April 2018

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: Investor Presentation

This is further to our intimation letter of Investor Conference dated 2nd April 2018.

We are attaching herewith a copy of Investor Presentation which will be presented to our investors and also posted on our website, www.grasim.com.

The same is for your information and record.

Thanking You,

For Grasim Industries Limited

Hutokshi Wadia
President & Company Secretary



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

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Depository Receipt Services
388 Greenwich Street, 14th Floor
New York, NY 10013
Fax: +1 212 816 6865
Email: maria.e.perez@citi.com

Citi Bank N.A.
Custodial Services
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E: grasimcfd@adityabirla.com | W: www.grasim.com | CIN: L17124MP1947PLC000410

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



Grasim Industries Limited

Strong Operations Large Investments

Grasim Plant Visit
2nd April'18, Vilayat (Gujarat)

**Strong
performance at
standalone &
consolidated
level**

**Presence in the
Right business
and Right market**

**Integrated
business model
providing EBITDA
cushioning & lower
volatility**

**Strong potential
for further
growth**

**Creating
substantial
shareholders
wealth over the
years**

**Strong Balance
Sheet to
support our
growth**

Robust Financial Performance



Standalone performance FY17

Net revenue
Rs. 11,253 Cr
CAGR 19%

EBITDA
Rs. 2,629 Cr
CAGR 15%

Standalone performance 9M FY18

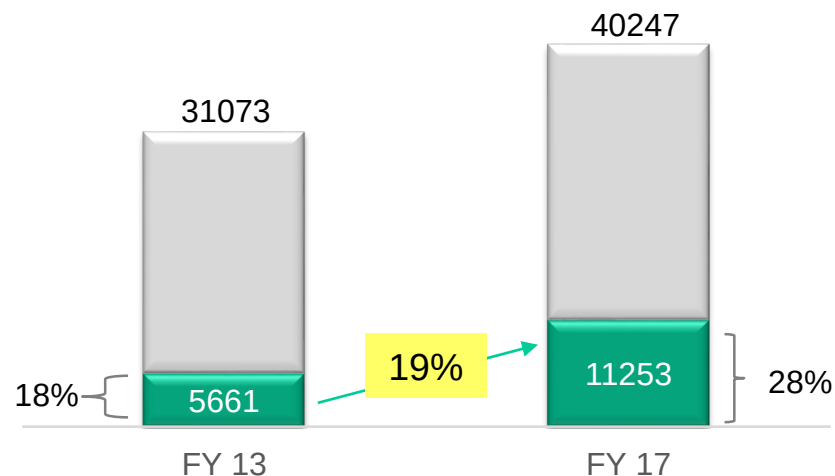
Net revenue
Rs. 11,206 Cr
Up by 50% YoY

EBITDA
Rs. 2,595 Cr
Up by 25% YoY

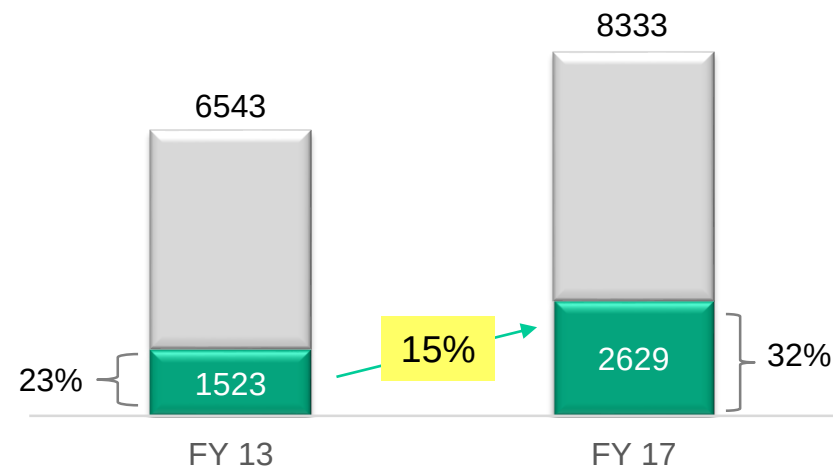
Grasim's Revenue Growth superior than Manufacturing peers



Net Revenue



EBITDA



■ CAGR ■ Standalone

Substantial increase in Share of Standalone Business in Total Revenue and EBITDA

Standalone

18.7%

5.6%

**Grasim's
Revenue Growth
Superior to
BSE 200
(Manufacturing*)**

Consolidated

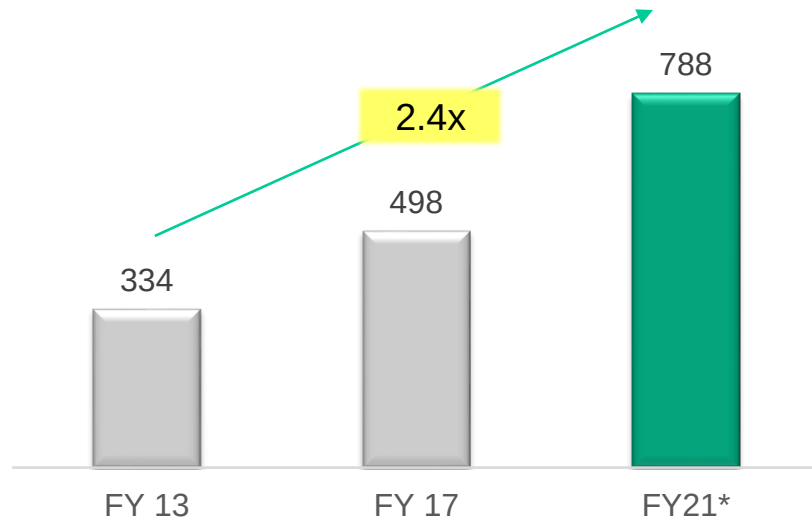
6.7%

4.2%

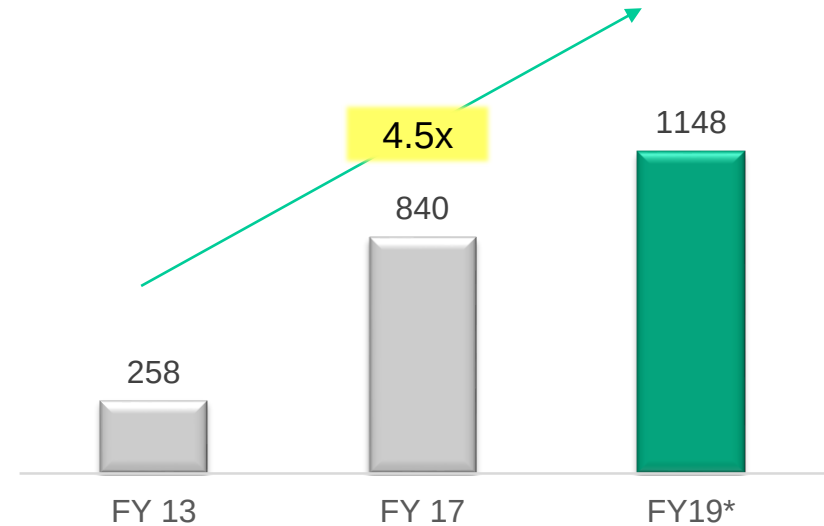
■ Grasim

■ Average of manufacturing companies from BSE top 200

VSF Capacity (KTPA)



Caustic Soda Capacity (KTPA)



Cost effectiveness

- Current expansion plan envisioned to cost 20% lesser than the previous capacity expansion

Flexibility in capacity utilisation

- Building capacities with flexibility to move 50% production from grey to specialties and vice versa

Value Added Products

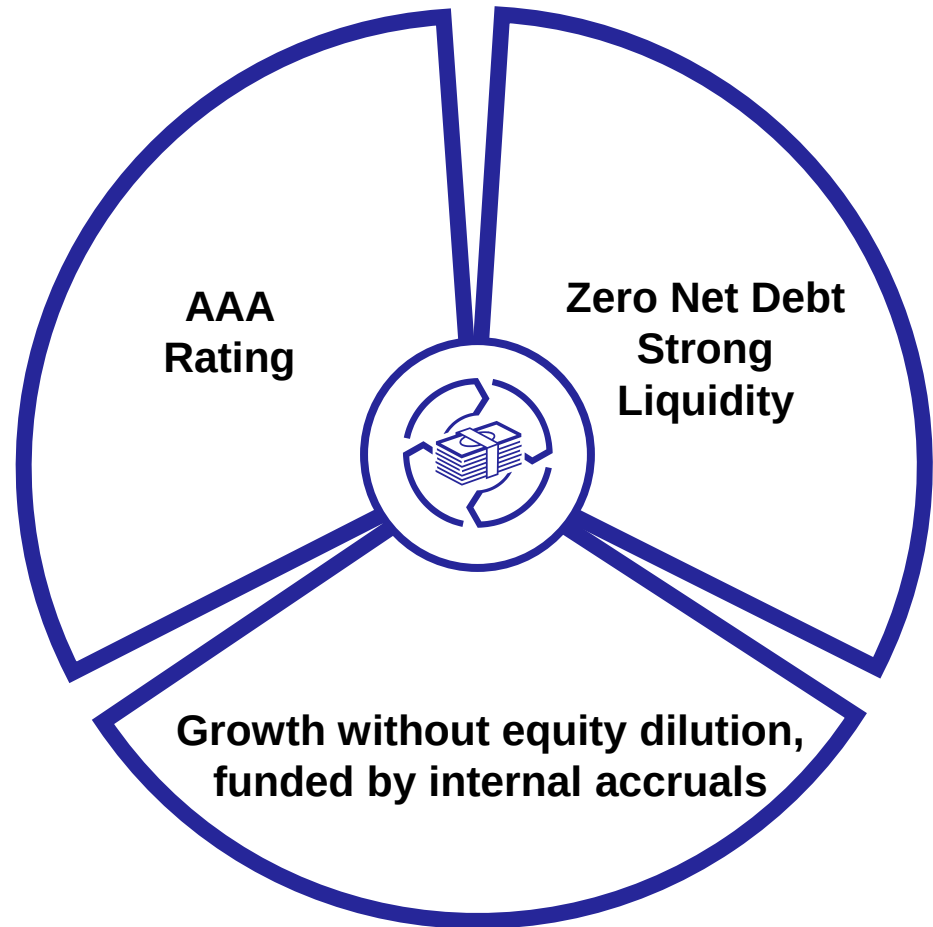
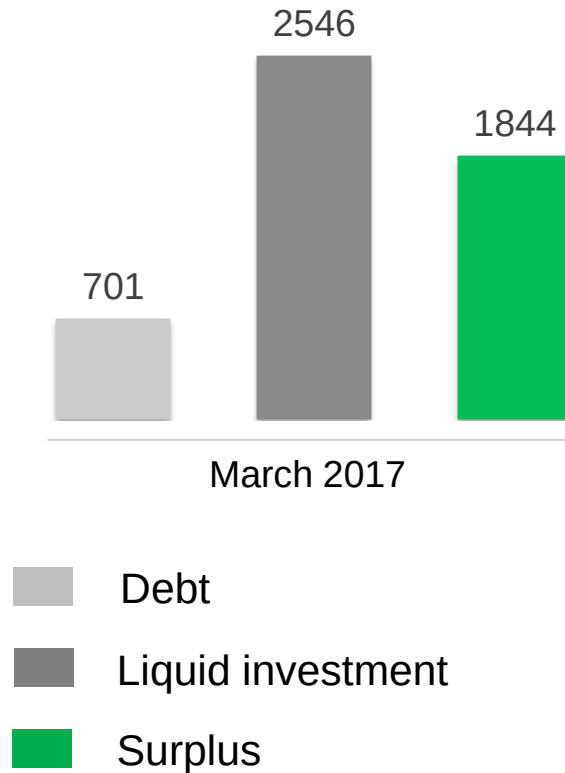
- Augmentation of Value added products portfolio leading to unhindered Caustic production

Capacity utilisation

- Capacity utilization @94%, ahead of industry average of 84% in Q3FY18

Strong Balance Sheet

Standalone debt/ surplus (in Cr)



Net Cash Rs.1,844 Cr post Capex Rs.5,562 Cr in the last 5 years

**#1 VSF
player in India**

WHY VISCOSE !!!

Fibre of choice

Sustainability is about responsibly marrying market place opportunities with scarce resources while caring for nature and people

Making of one cotton T-shirt

- ▶ 2600 Ltrs of water
- ▶ 99 gram fertilizer
- ▶ 4.5 gram pesticide

Polyester T-shirt The polluter

- ▶ Biodegradability 200 years
- ▶ Only down cycling
- ▶ Human toxicity very high

Brands looking for sustainable credentials across value chain

Consumers are increasingly willing to pay premium for it

Civil society organizations are raising awareness

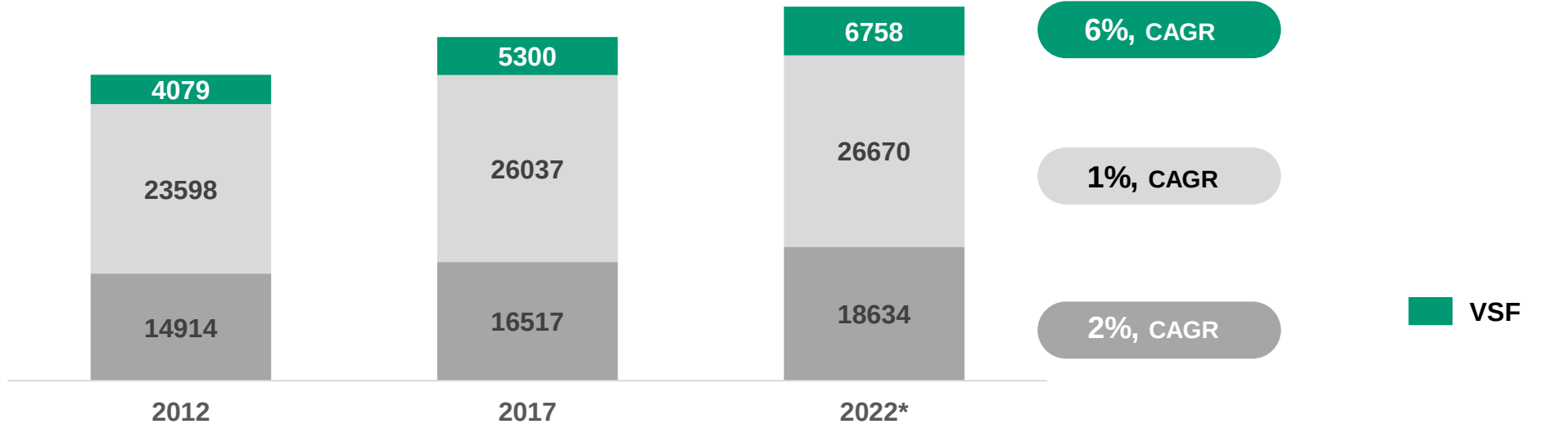
Technology is evolving and new green options emerging

Regulations are getting stricter by the day

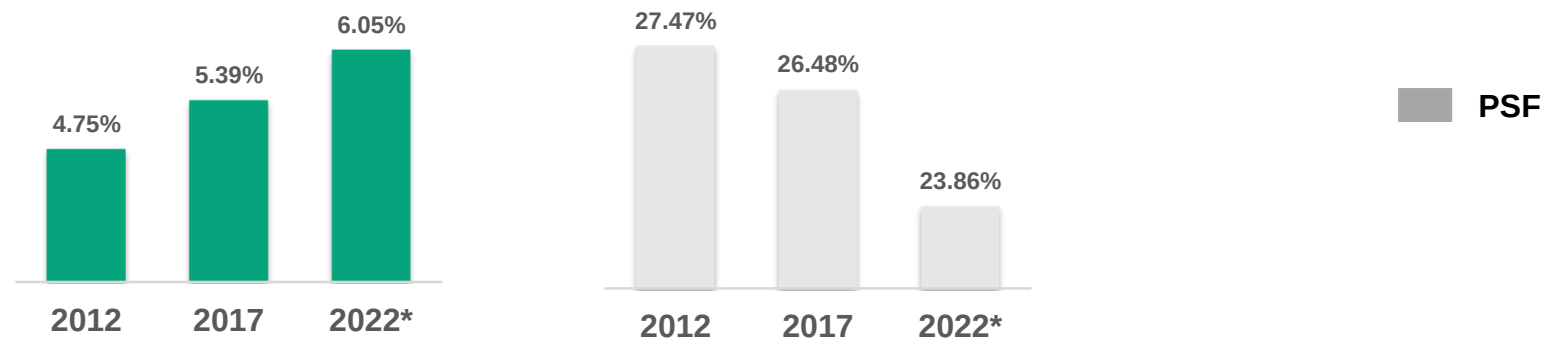
“VISCOSE” is the most sustainable fibre

VSF-the fastest growing fibre

Global demand of competing fibres (KTPA)



Demand Share as a % of total fibre demand

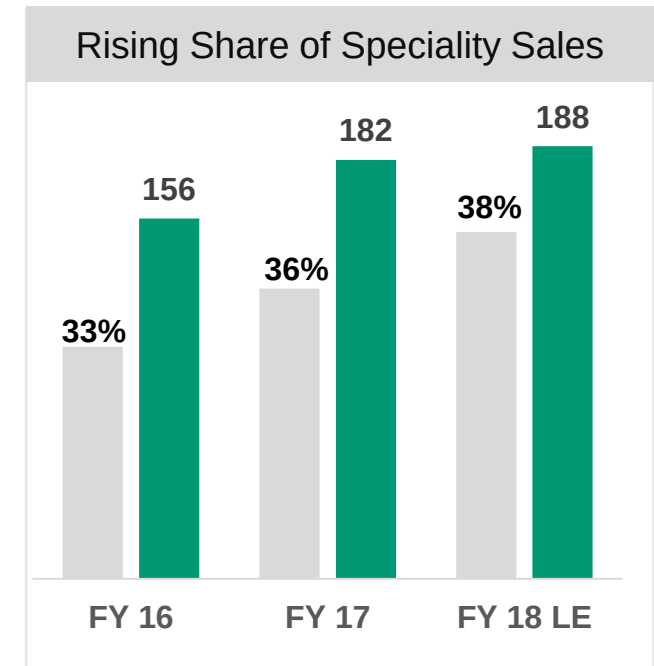
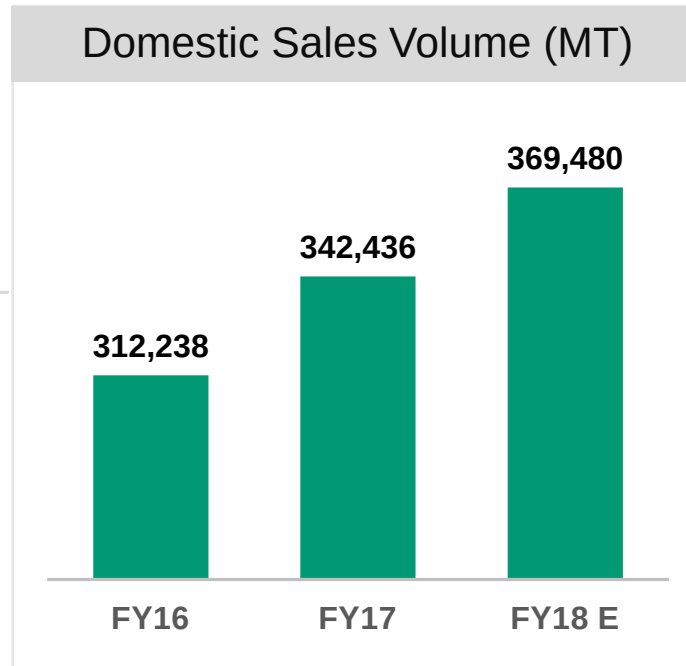
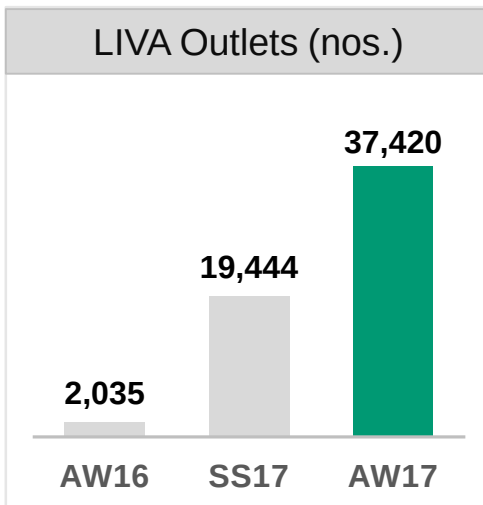
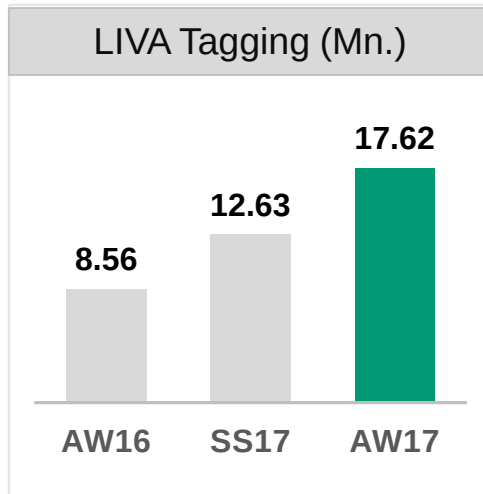


India demand growth at 8% higher than global demand growth driven by business development efforts of Grasm

Driving domestic growth through LIVA

Pioneering ingredient branding in global textile industry by Grasim

Continued focus on expanding usage and application of VSF in domestic textile market to bolster the VSF demand in the textile value chain



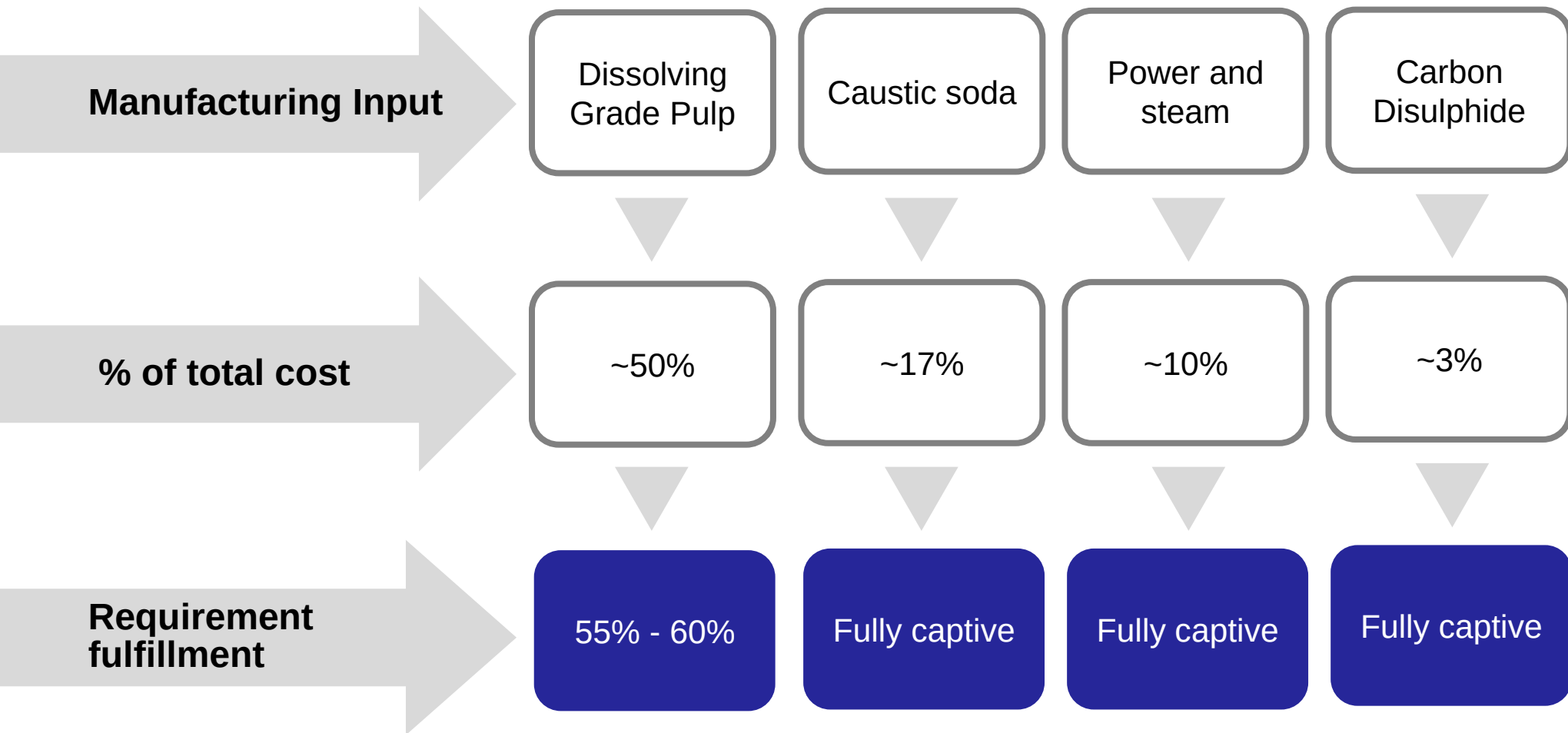
- ▶ The no. of tagged garments **doubled** YoY in AW17 to 17.6 Mn

- ▶ No. of LIVA Outlets multiply **18x** YoY from 2035 in AW16 to 37,420 in AW17

Speciality products as a % of total VSF production

Speciality products (KTPA)

VSF: High backward integration



High backward integration, encompassing over 80% of costs
Significant competitive advantage over non-integrated players

Sustainable Approach of doing Business

Responsible Wood Sourcing Policy

60% of the wood is certified by FSC

No purchase of wood harvested from high conservation, Value/ Illegal Forests



Responsible Sourcing

Implementation of supplier code of conducts at some of our units and are carrying out training of suppliers and contractors in a phased manner

Promoting use of Renewable sources

80% - 90% of Energy requirement in the pulp units are renewable sources like bark and black liquor

Higg Index

We apply Higg Index to our operations and collaborate with our customers in the textile and apparel industry which make use of this tool



Reduction of water consumption

New techniques developed leading to 30 liters of water saving for every meter of Fiber

Lowest water consumption globally

Sustainable Logistics

Reduce energy consumption and GHG emissions for transportation of raw materials and products, and also to improve transport safety

Life cycle Assessment

A life cycle assessment study of our products has been carried out in accordance with ISO 14040:2006 and ISO 14044:2006 standards

Hot button report

Ranked 1st by Canopy's Hot Button Report (No wood sourcing from endangered forests). The ranking is highly valued by global brands

#1 VSF
player in India

Presence
in the
**Right business &
Right market**

**High backward
integration,**
encompassing over
80% of costs

Sustainable
way of doing
business

**Pioneering
ingredient
branding**

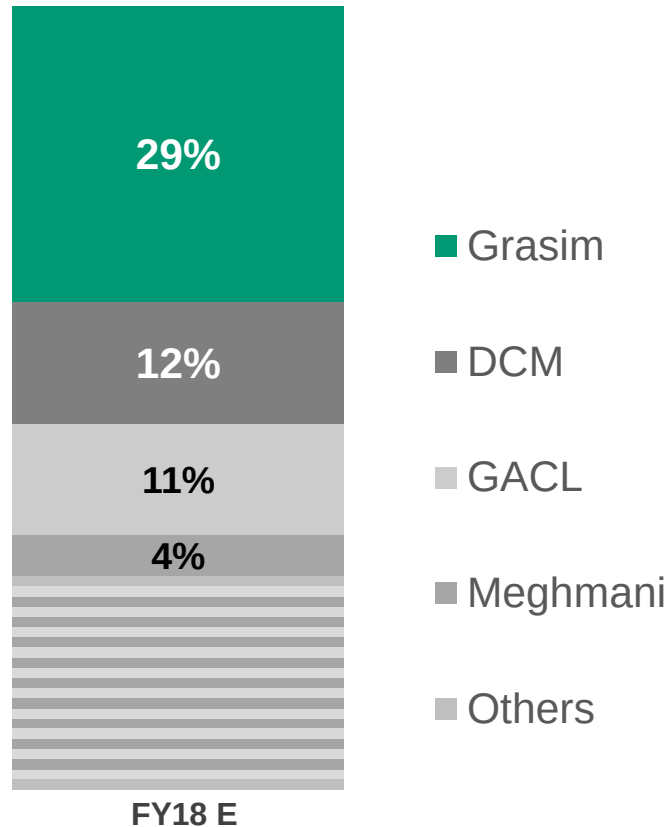
Strong focus on
cost reduction
by driving
efficiencies

#1 Caustic Soda player in India

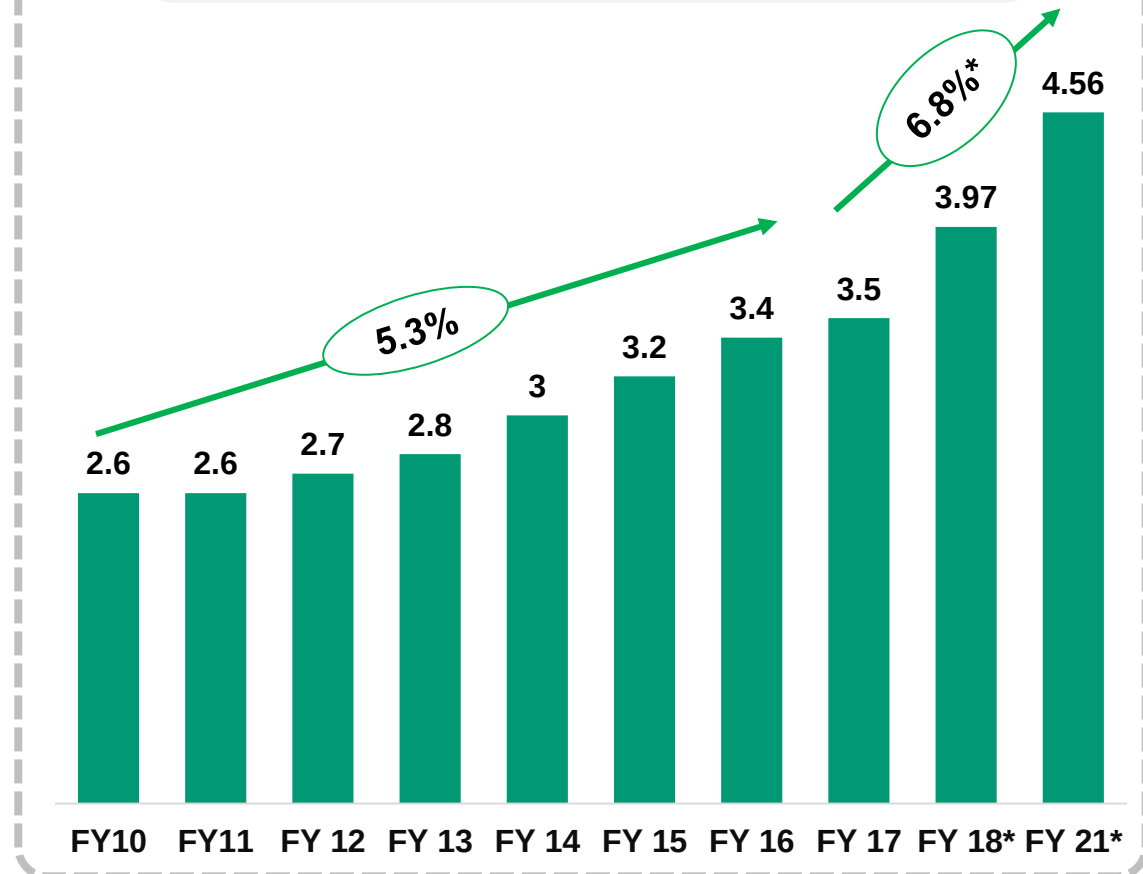
Strong Presence in High Growth Businesses

Caustic soda – historical trend, projections and market share

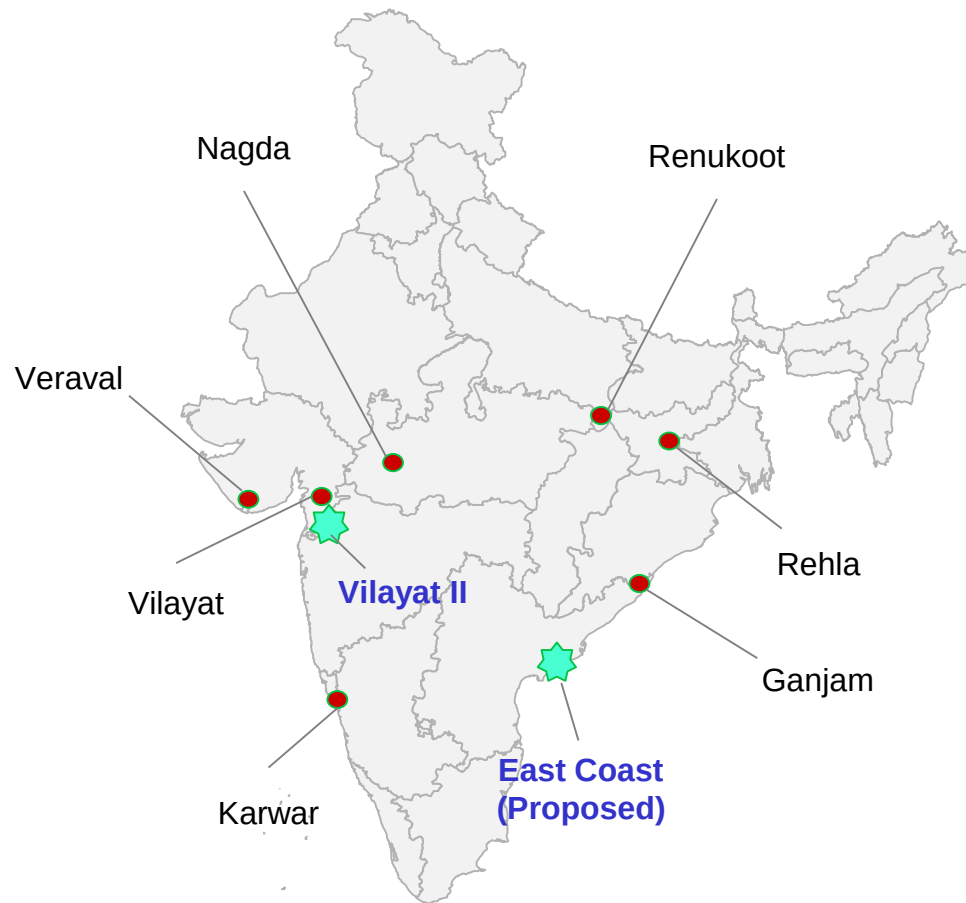
Fragment industry - 23 players
Top-3 players account for ~50% of market



Domestic consumption (MTPA)



Our manufacturing footprint



Vilayat

- Expansion of VSF from ~ 0.5 mn MT to ~ 0.8 mn MT

East Coast

- Significant demand-supply gap; 80% of India's import
- Significant demand from Hindalco, Vedanta and Nalco

Expansion of existing VAPs

Water Treatment

- PAC, SBP

Plastics & Polymers

- CP, Sulpho CP

AgChem, Dyes & Pigments

- AlCl_3
- CSA

Pharma, Food & Cosmetics

- FG Phos Acid
- Calcium Phosphates

Others

- CaCl_2

- Global leadership : AlCl_3 , SBP
- India leadership: CP, PAC, PA
- Exports to more than 50 countries

New Molecules

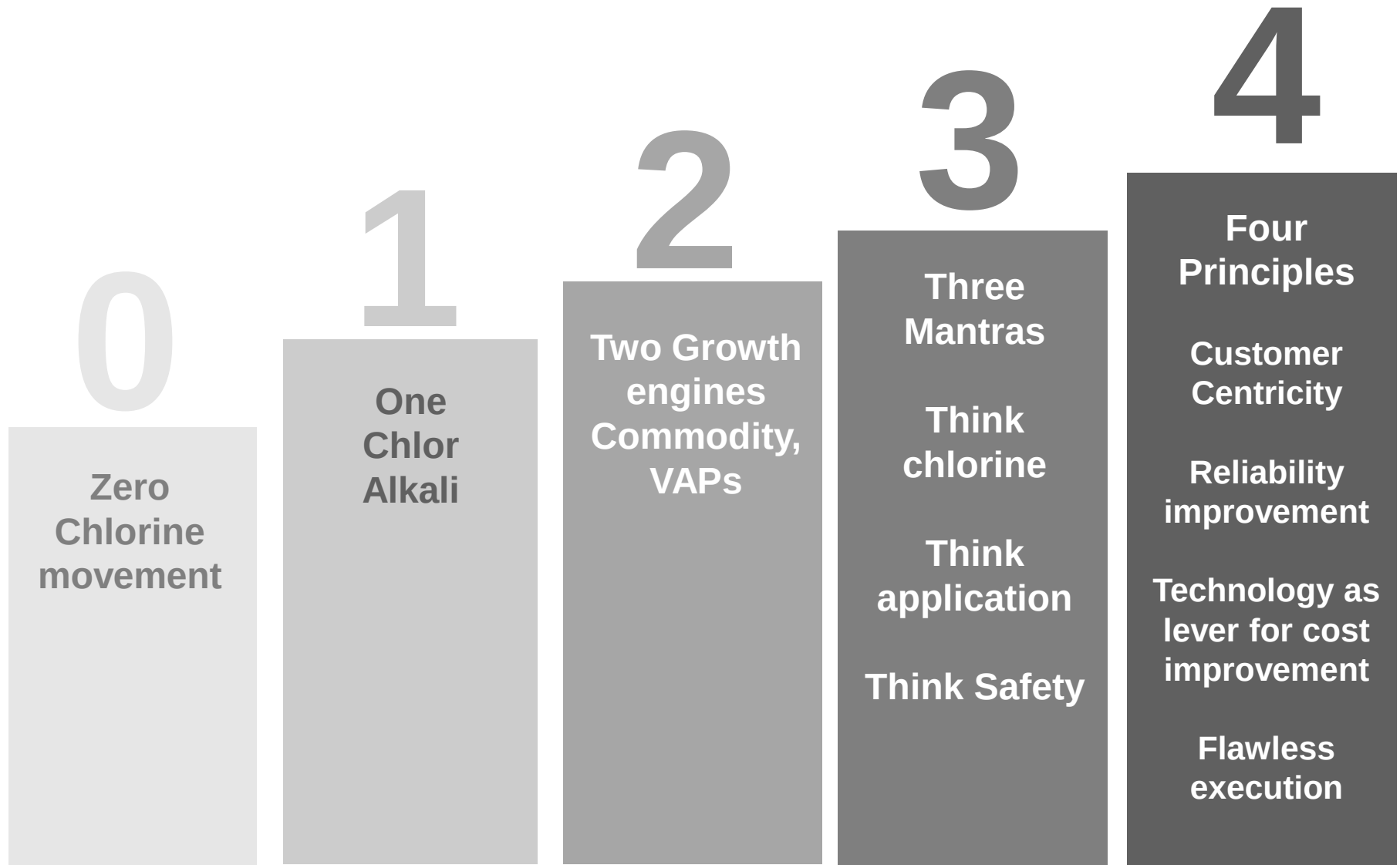
- Calcium Hypo.
- ACH
- ECH
- Chloromethanes

++ 4-6 more products being evaluated

Alliances & Partnerships

- Long term arrangement for pipeline supply of chlorine and HCl
- Chlorine Park

Levers towards leadership



Safe and Sustainable Operations: *Always first*

Acquired world class practices from



End to end safety focus

– own, transporters, customers

Significant cultural change seen

Employee compensation linked
to safety performance

Be a HERO with ZERO



Responsible Salt Sourcing Policy

Pioneered using Washed Salt in India,
for reduction in sludge generation



Promoting use of Renewable sources

Solar as a source of energy for power
requirement

Investment in latest generation of electrolyzers



Technology for sustainable operations

Online monitoring of emissions
Central Control Tower



Reduction of water consumption

Continuous reduction, plants to have
Zero Liquid Discharge



Sustainable Logistics

Usage of multi model transport to reduce emission
Focus on pipeline movement of Chlorine, HCl &
Caustic
Continuous training of drivers for safe movement of
vehicles

**Largest
Asian player
in Caustic soda
by FY20**

Aims to be the
7th Largest
Global player in
Caustic Soda
by FY23

#1
in **SBP & AlCl_3**
Globally,
in **CP, PAC & PA**
in India

Profitably growing
with
**Safety &
Sustainability**

Competitive edge
by having
**Chlorine
integration**

**Growing in
East India**
The Next Growth
center

Leadership business

#No. 1 VSF and Caustic Soda
producer in India

Strong EBITDA from Standalone businesses

Standalone LTM EBITDA *
Rs. 3500 Cr. up by ~30% yoy

Strong Balance sheet and high ROCE

Net cash surplus of **INR 6 billion**
at standalone level

~**25%+ ROCE** from core business



Capital Allocation Towards Leadership businesses

Commitment of **INR 6,440 Cr**
for VSF and Caustic soda
expansion and debottlenecking

Dividend Payout Policy

Dividend payout ratio in the
range of **25% to 45%**

Growth in Market Capitalization over the years



Rs. 1,787 Cr

Market Capitalization of Grasim (1998)

Demerger of Cement biz to Ultratech Cement Limited

Merger of Aditya Birla Chemicals into Grasim

Merger of Aditya Birla Nuvo into Grasim

Demerger and Listing of Fin Serv. biz
from Grasim to Aditya Birla Capital Ltd

132x in 20 years

Rs. 2,35,769 Cr

Combined Market Capitalization of
Grasim and its listed subsidiaries (2018)

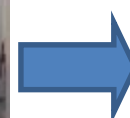
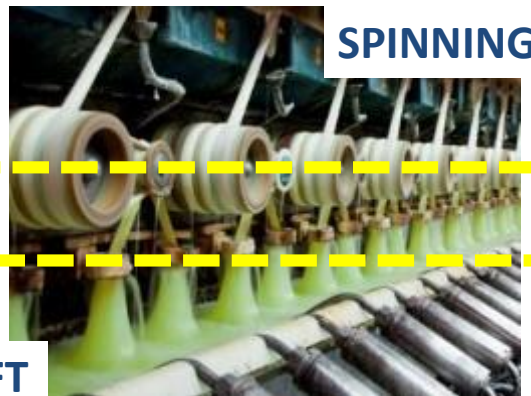
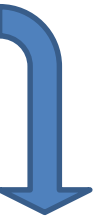
Our Top Priorities



**Grasim Vilayat Plant
VSF
Chemicals**

Vilayat VSF Plant

VSF – Production Process



Vilayat Proposed Plant - Bird's eye view



Project cost of Rs.3,523 Cr.; to be commissioned by FY 21

Expansion Project – Salient Features



2 lines of 300 TPD each ; additional CS2 and Acid plant, CPP expansion

1st time : Continuous Pulper, Degasser system, Vertical MSFE, AFT increased width , Extended Stretch, 3-stage Acid Absorption Crystalliser, Pusher type Centrifuge etc.

Basic Engg., ordering and civil work preparation in progress

Capital, Energy and Environment efficient plant

CAP and WSA for waste gas treatment considered

Best in class Quality Competitiveness with improved technology and features

Safe and preferred workplace for all!

Engineering Co., LTD

Oct. 2017

Corporate Social Responsibility – Grasim Vilayat



Knowledge Program

Scholarship to 'Girl Students' for higher education



Women started their own business & Independently earning their Livelihood.



Vilayat Chemicals Plant

We make chemicals from common salt

Raw material

Process

Products

Downstream



Common Salt



Power / Coal



Electrolysis
Process

(Power - 60% of
costs)

Caustic soda,
1 MT



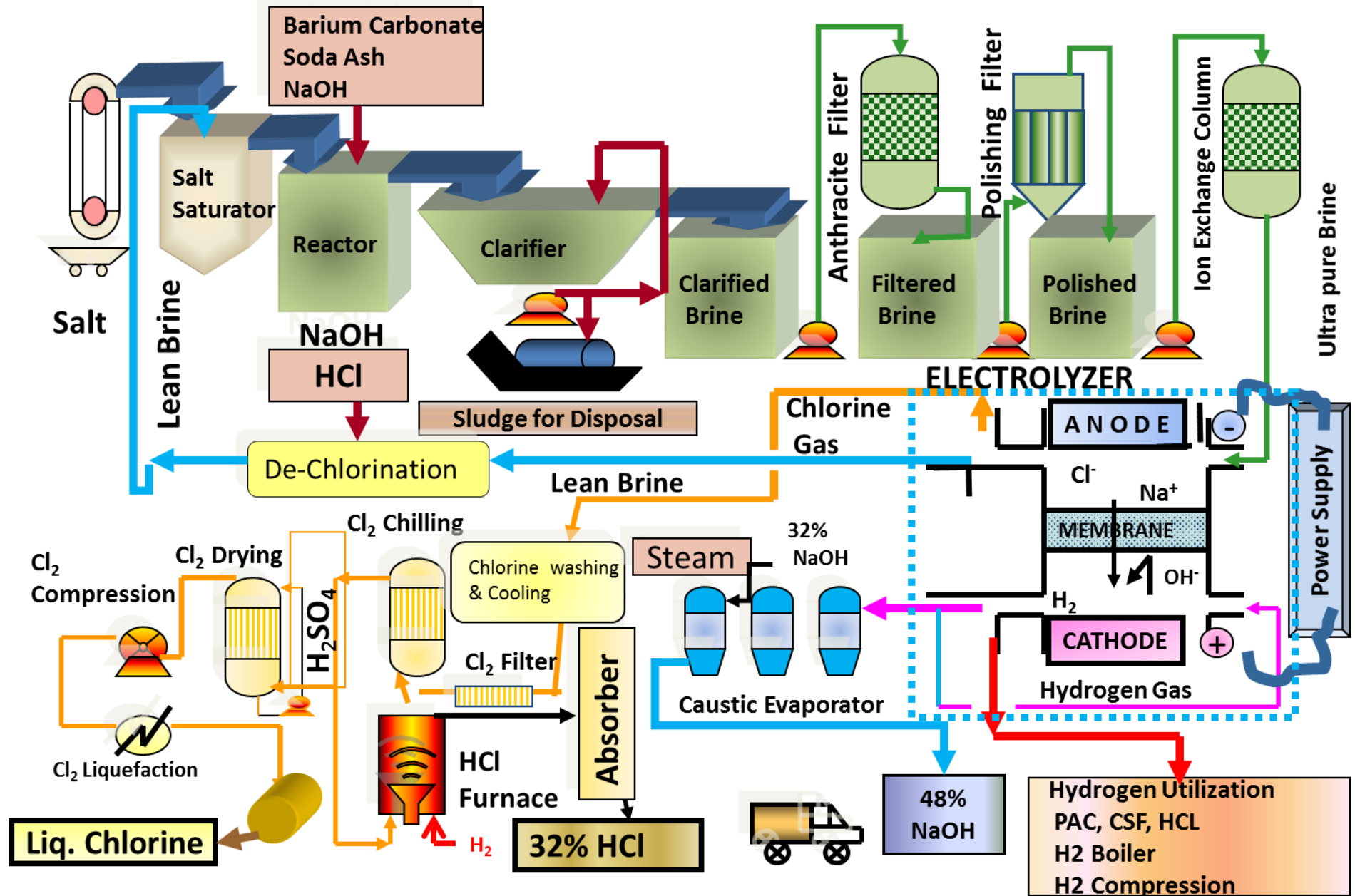
Chlorine,
0.9 MT

Chlorine products
(VAPs)



Hydrogen,
0.03 MT

Process Layout – Caustic Manufacturing



Ready For Commissioning

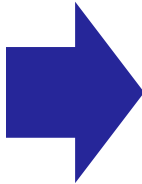
Chlor-Alkali Plant (March 18)



2013: Chairman Cutting Ribbon



Phosphoric Acid Plant (March 18)



Q&A