ADITYA BIRLA
GRASIM

30th March 2016

BSE Ltd.
Department of Corporate Services
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Rotunda Building, P J Towers, Dalal Street,
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Fax: 022-22723121/ 3719/ 2037/ 2039

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400 051
Fax: 022-26598237/8238

Dear Sir,

Sub: Investors & Analysts visit at Vilayat Plant on 30th March 2016

We refer to our letter dated 28th March 2016 on captioned subject.

Enclosed is the presentation which is being made at the Investors & Analysts visit at Company's Plant at Vilayat today, 30th March 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

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Grasim Industries Limited

A VSF and Cement Major

Vilayat Plant Visit

Cautionary Statement

Statements in this 'Presentation' describing the Company's objectives, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.

Glossary

VSF : Viscose Staple fibre, PSF : Polyester Staple Fibre, PFY : Polyester Filament yarn, MT : Metric Ton, TPA : Tons Per Annum,
YoY: Year on Year Comparison, CY : Current Year EBITDA : Earnings before Interest, Tax, Depreciation and Amortisation,
ROAvCE : Return on Avg. Capital Employed, RONW : Return on Avg. Net Worth

Presentation Structure

- Introduction
- VSF Business
- Chemical Business
- Vilayat Facility

Grasim: Market leader across Business Segments

Viscose Staple Fibre
Revenue ₹ 73 Bn.
(US$ 1.1 Bn.)

Leading Global Player

- Capacity : 498K TPA
- Grasim commands 9% global share; ABG share 17%
- Integrated model with experience of more than six decades

Chemical
Revenue ₹ 33 Bn.
(US$ 0.5 Bn.)

Largest Chlor-Alkali Manufacturer in India

- Capacity increased from 452K TPA to 804K TPA post ABCIL merger
- Portfolio of value added products – Epoxy (52K TPA) and Chlorine Derivatives (410K TPA)

Cement
Revenue ₹ 248 Bn.
(US$ 4.0 Bn.)

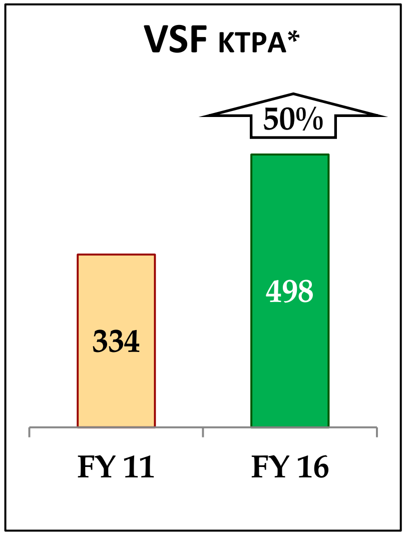
Largest manufacturer in India

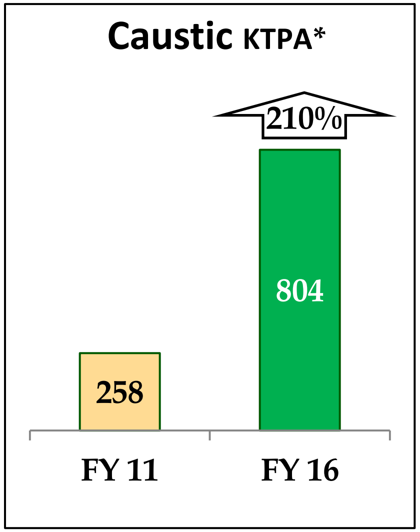
- Capacity : 67.7 Mn. TPA
- Total capacity to reach ~92 Mn. TPA on commissioning of grinding unit (2.2 Mn. TPA) and completion of JPA acquisition (22.4 Mn. TPA)
- Market leader in White Cement & Putty (1.4 Mn. TPA) and Ready Mix Concrete

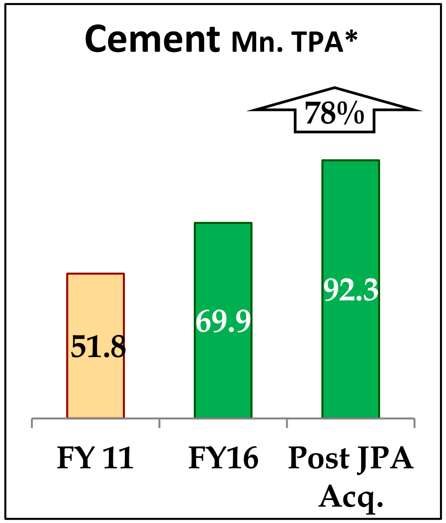
Revenue : 9M FY16 annualised

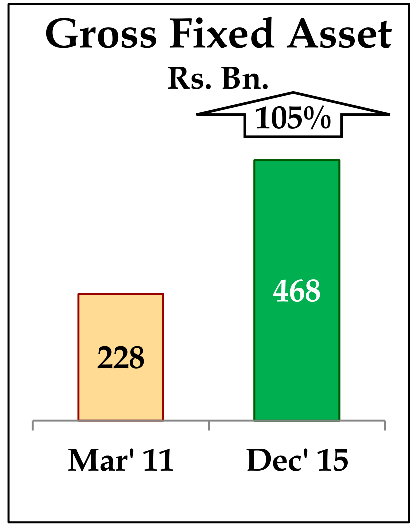
Investment in Growth .....

Substantial Investment made across Businesses – US$ 4 Bn. over last five years









Leading Global Player

Largest in India

Largest in India

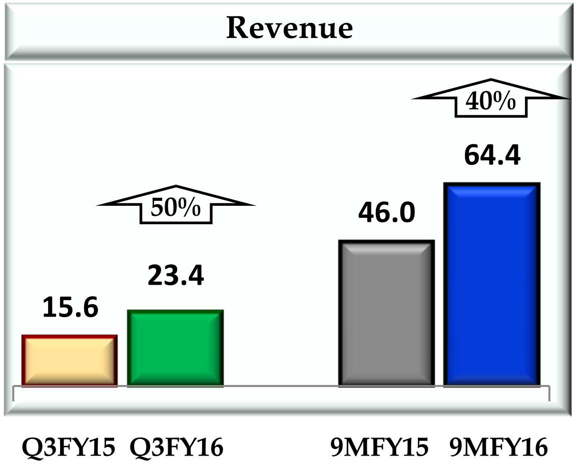
* *Capacity*

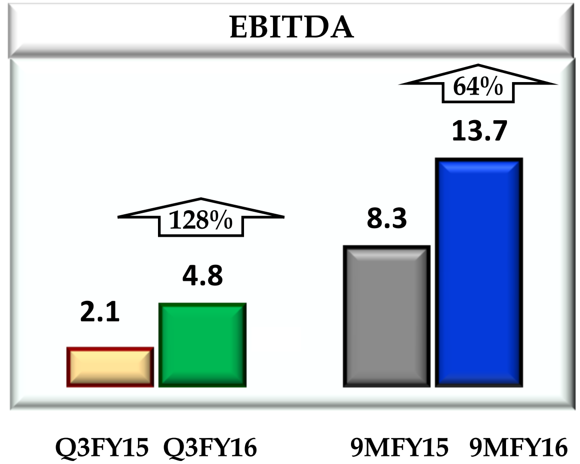
* *On completion of acquisition of JPA's assets*

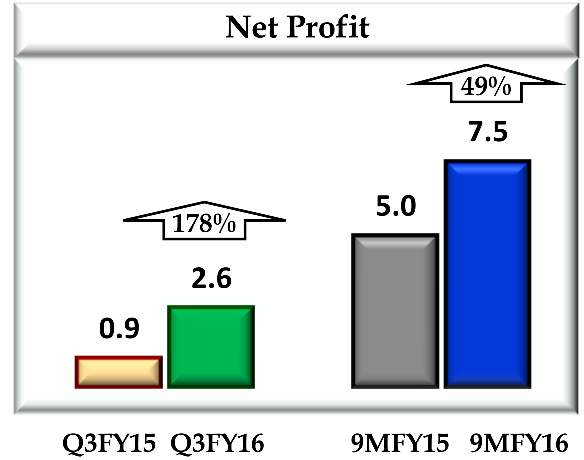
……Yielding Results

Standalone

₹ bn.

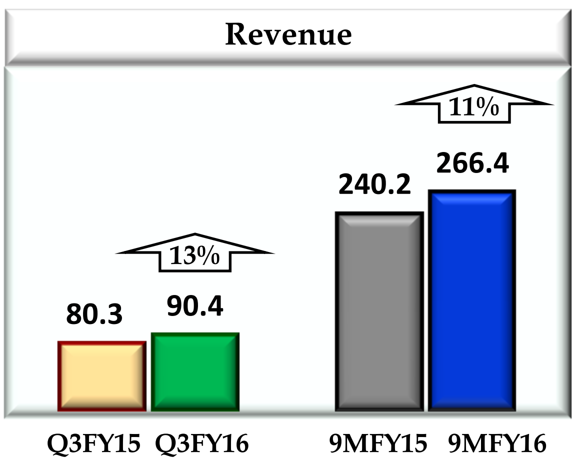


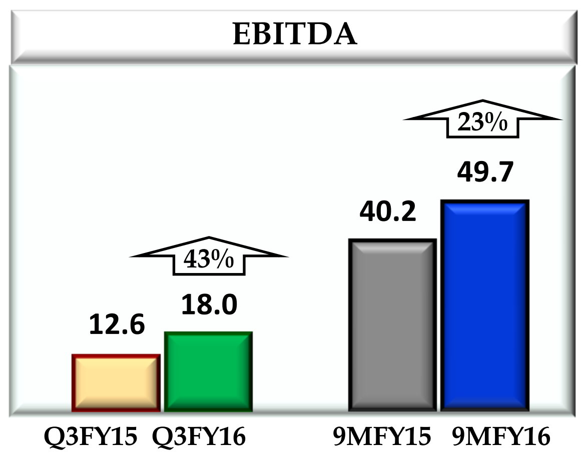


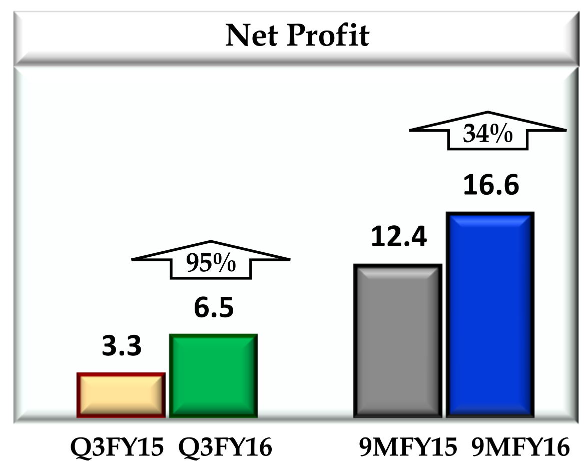


LFL Growth	28%	19%	93%	36%	162%	35%

Consolidated







.....Balance Sheet Continues to be Strong

₹ bn.

Standalone 9M 2015-16	Standalone FY 2014-15	Particulars	Consolidated 9M 2015-16	Consolidated FY 2014-15
124	112	Net Worth	253	231
22	11	Debt	117	119
7	0.2	Net Debt	58	61
0.18	0.10	Debt:Equity (x)	0.35	0.39
0.06	-	Net Debt: Equity (x)	0.17	0.20
0.39	-	Net Debt / EBIDTA	0.88	1.08
		ROAvCE (%) (Excluding CWIP)	10.8	10.5
		RONW (%)	9.2	7.8

Presentation Structure

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Viscose Staple Fibre (VSF)

Birla Cellulose
Fibres from Nature

Birla Viscose

Birla Modal

Birla Excel

VSF: Cellulosic Fibre With Many Unique Attributes

Natural fibres		Man made fibres		
Natural fibres		From Natural Sources	From Synthetic Polymers	From inorganic substances
Protein-based	Cellulose based	Cellulose based		
Wool Silk Cashmere	Cotton Jute	Viscose Modal Excel	Polyester Nylon Polypropylene Polyurethane Acrylic etc.	Carbon Ceramics Glass Metal


Natural base & Eco-friendly


Vibrant color depth


Breathable & Highly absorbent


Comfort and Soft feel

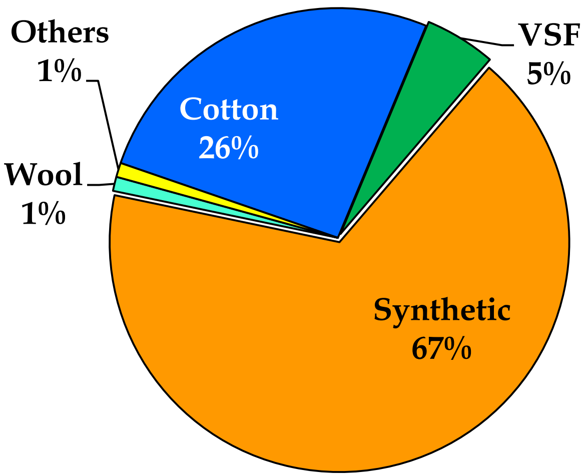

Highly Uniform


Static Dissipation

Blend, Technology & Application Versatility

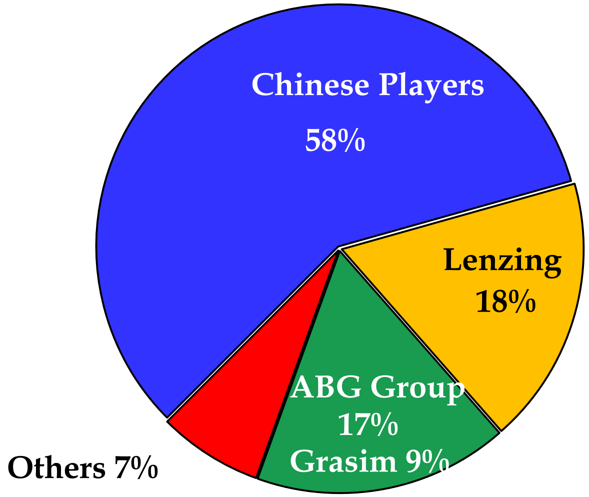
VSF: Global Industry Scenario

Global Fibre Pie (95 Mn. MT)



Source: Fibre Organon (for CY 2015)

VSF Business Global Market Share



Source: Company estimate (for CY 2014)

- VSF: A cellulosic fibre
  - 5% of global fibre market
  - 7% of global man-made fibre market
- Major Global Players' Capacity — '000 TPA
  - ABG group (incl. Grasim) : 935
    - of which Grasim : 498
  - Lenzing : 996

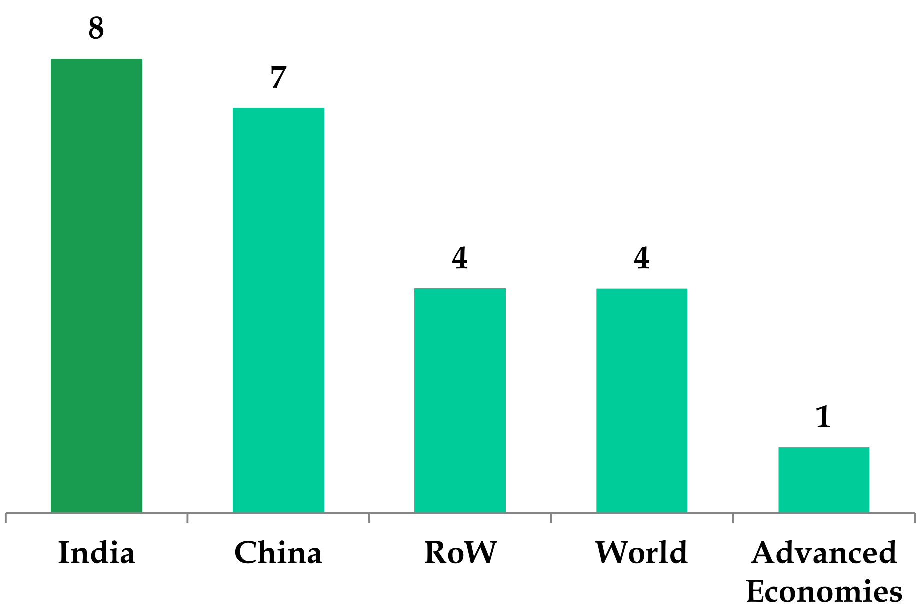
    (Austria, Indonesia & China)

Grasim : Rightly Placed

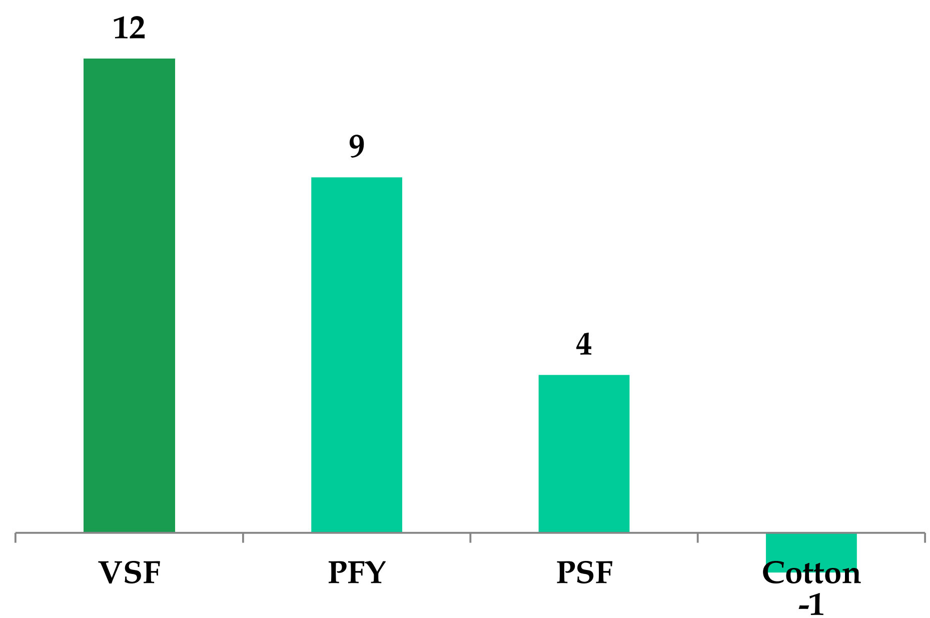
Presence in Right Market

……and Right Product

Apparel Growth 2009 – 2014 (%)



Fibre Growth 2009 – 2014 (%)



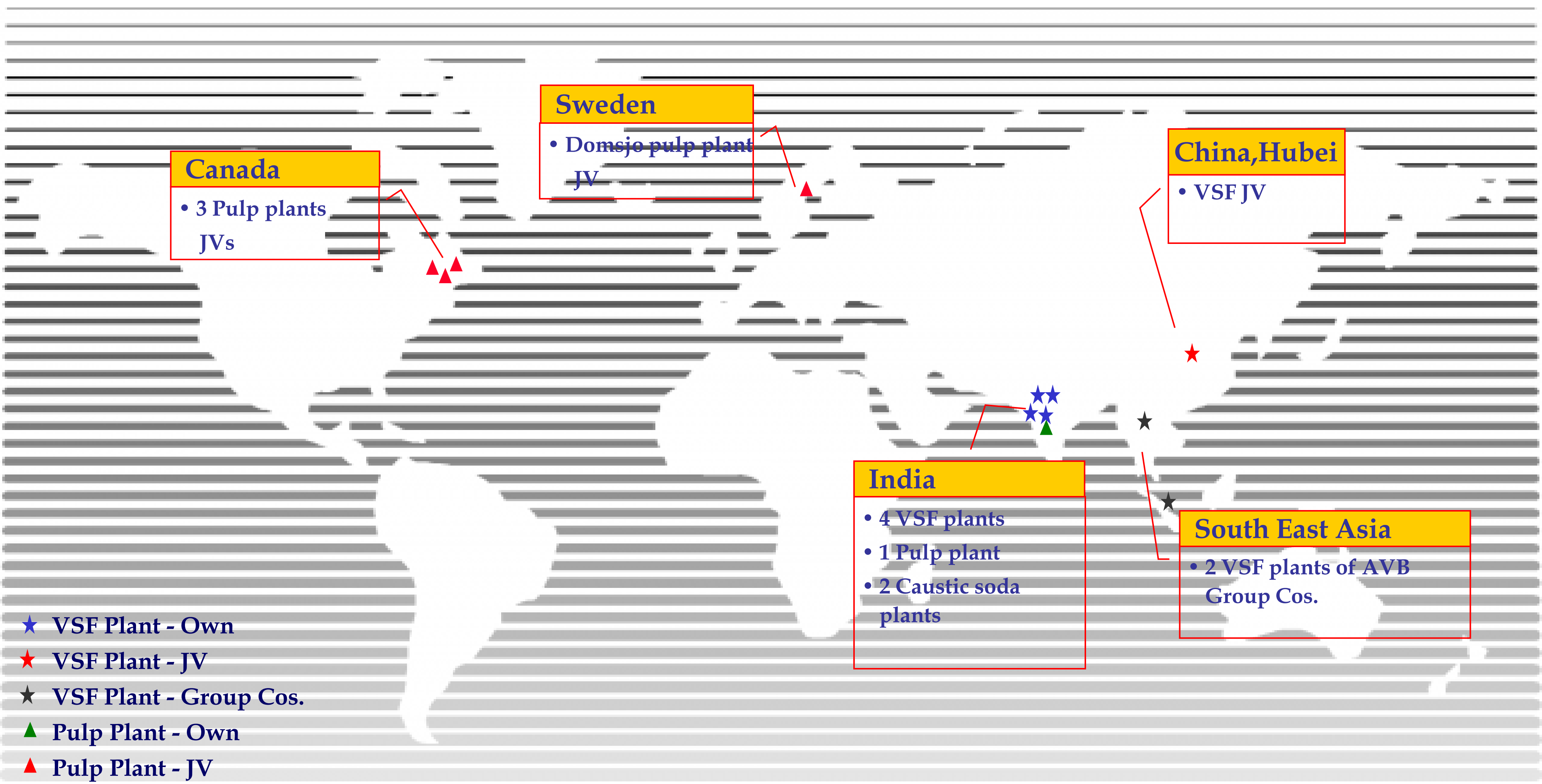
Market size
(2014, Mn. Tons)

VSF	PFY	PSF	Cotton
4.8	30.3	15.5	24.0

Source : Euro Monitor

Source : Fibre Organon

VSF: Global Presence



VSF: High Backward Integration

Input	% of Cost	Capacity	Requirement Met
Dissolving Grade Pulp	55% - 60%	4 Manufacturing plants *(India : 1 & Overseas : 3)*	55% - 60%
Caustic Soda	10% - 15%	804K TPA	Fully captive
Power & Steam	10%	290 MW	Fully captive at all locations

Sustainable competitive advantage through integrated business model

VSF : Greater Connect with Consumers thru' Liva

A Co-branded partner
uses a "liva tag" on each garment

VAN HEUSEN | Solly Allen Solly | PEOPLE MEN•WOMEN•KIDS•ACCESSORIES | BIBA

global desi | SHOPPERS STOP | soch | fbb India's Fashion Hub

madame | melange by lifestyle | FUSION BEATS

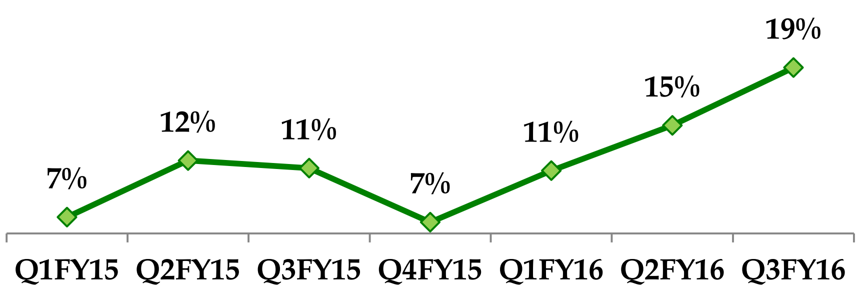
109°F | pantaloons | max LOOK GOOD. FEEL GOOD.

VSF: 9M FY16 Performance

(₹ Bn.)	2013-14	2014-15	9M 2015-16
Capacity ('000 TPA)*	375	434	374
Sales Volume ('000 MT)	367	403	337
Net Revenue	47.1	49.7	42.9
EBITDA	7.2	4.7	6.6
EBITDA Margin	15%	9%	15%
EBIT	5.7	3.1	4.9

* Effective capacity for the period

Healthy Recovery in Margin



Global Industry Scenario

- Global prices witnessed uptrend in first half

Business performance

- Robust volume growth - up by 19% YoY
  - Intensive business development activities leading to increase in usage of VSF
  - Full ramp up of Vilayat plant
  - Higher sales of specialty fibre
- EBITDA increased by 79% YoY
  - Higher volumes
  - Margins improved from 10% to 15%
    - Economies of scale
    - Lower input cost

Presentation Structure

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Chemical

Largest Chlor - Alkali manufacturer in India

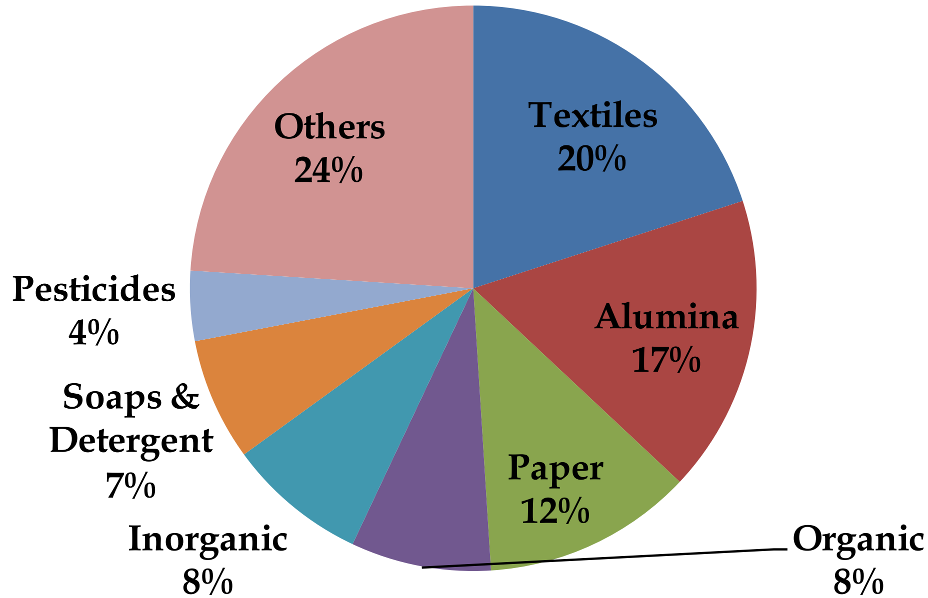
Largest producer of Epoxy Resins in India

Largest value-added product portfolio including water treatment chemicals

Chlor Alkali Industry

- Caustic Soda demand of 3.2 Mn. TPA in FY15 in India
- Caustic Soda has developed end-user market in India
- Top 5 players account for 60% of market share
- Manufacturing capacities concentrated in Western and Southern region, with easy availability of Salt
- India net importer of Caustic Soda
  - Sluggish demand growth of Chlorine (a by product) restricts capacity addition

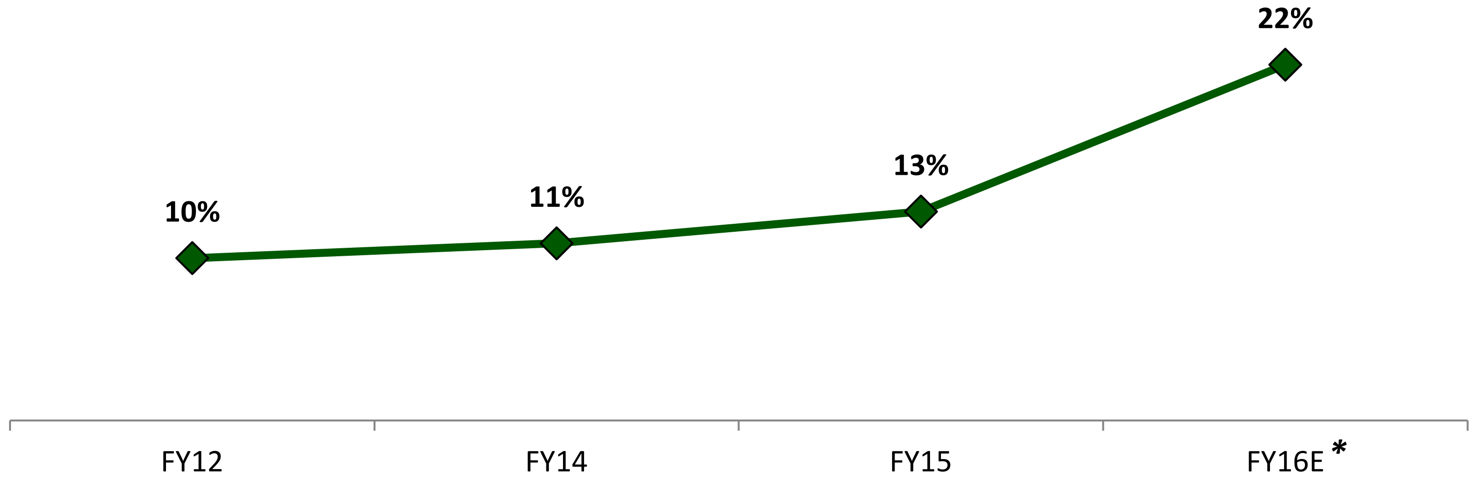
Caustic Soda Usage in India



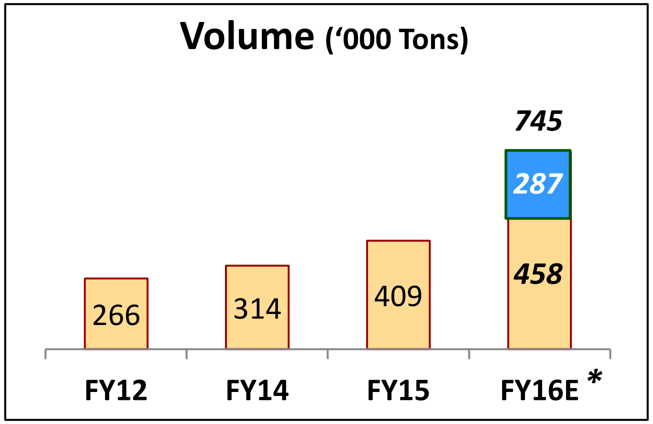
Source : AMAI

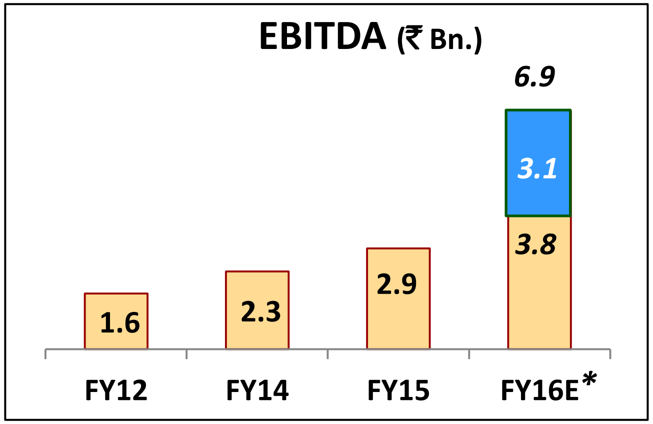
Chemical Business : On a strong growth path…..

Merger of ABCIL & Vilayat Greenfield Capacity – Market share more than doubled



Source : AMAI and Company data

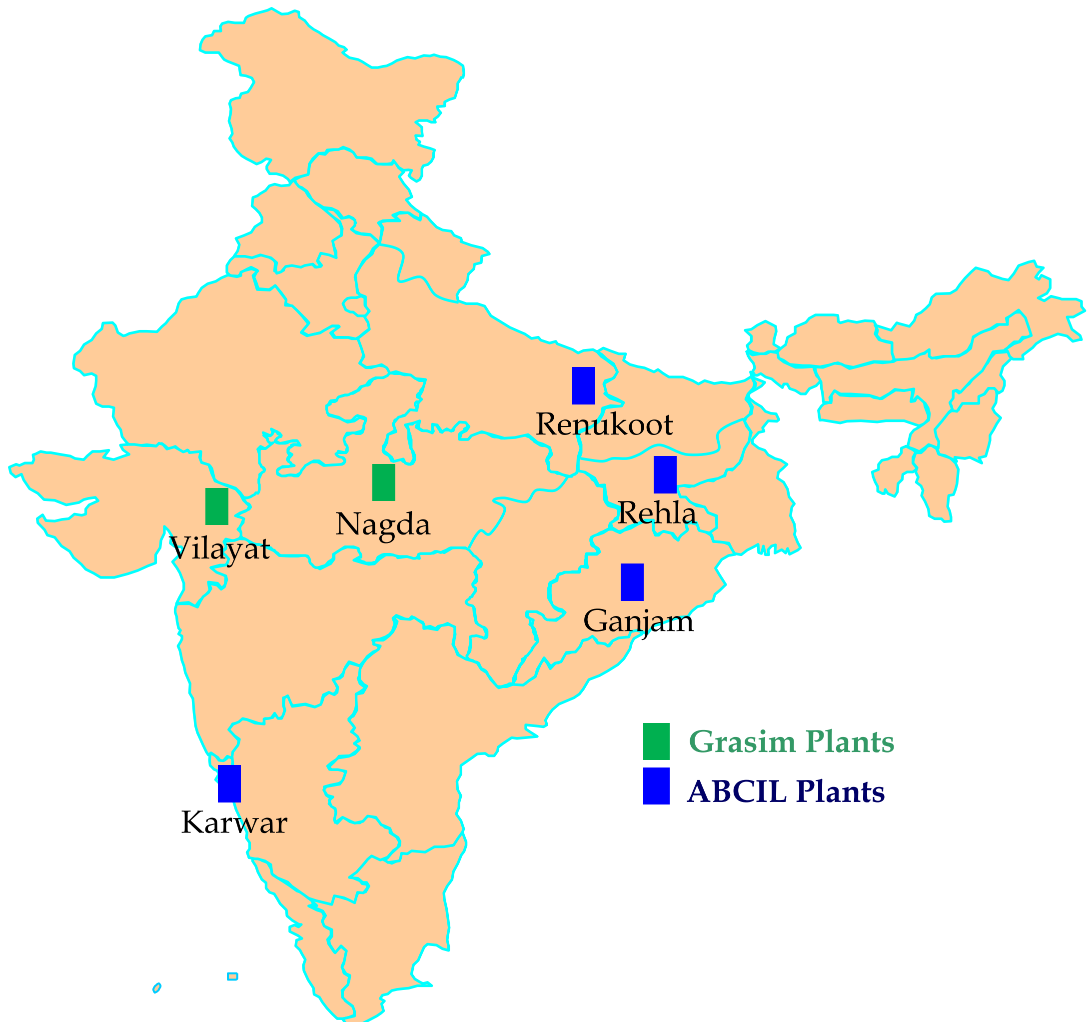




**FY16 E = Nine months numbers annualised*

Grasim ABCIL

Chemical Business : Footprints



Map not to scale

Geographical diversification with ABCIL merger

Value Added Products : Provide Competitive Strength

Product	Major Uses
Polyaluminium chloride (PAC)	• Water treatment – drinking and waste water treatment • Paper sizing agent
Stable bleaching powder (SBP)	• Disinfection • Bleaching
Chlorinated paraffin (CPW)	• Plasticizer for PVC pipes and cables • Metal working oils, lubricants (cutting oil), gear oils • Leather treatment chemicals, rexin cloth, textile industry,
Anhydrous aluminium chloride ($AlCl_3$)	• As catalyst in manufacturing of pharmaceuticals, agrochemicals, petrochemicals and dyes
Phosphoric Acid (PA)	• Pre-treatment chemicals for metal surfaces in auto industry • Detergents and cleaners • Processing of sugar and edible oils, colas, bakery, cheese
Chloro-sulphonic acid (CSA)	• Manufacture of dyes, dye intermediates and pigments, synthetic sweeteners, drugs and pharmaceuticals
Calcium chloride ($CACl_2$)	• Dehumidifier, de-icer, food preservative, electrolyte • Oil and gas processing

Large and diversified Portfolio with total capacity of 410K TPA

Chemical Business : 9M FY16 Performance

(₹ Bn.)	2013-14	2014-15	9M# 2015-16
Capacity (000' TPA)*	352	452	559
Sales Volume Caustic Soda ('000 MT)	314	409	558
Net Revenue	10.7	17.0	24.8
EBIDTA	2.3	2.9	5.2
EBIDTA Margin	21%	17%	21%
EBIT	1.6	2.0	3.8

• Effective capacity for the period

Includes ABCIL

Business Performance

- Revenue doubled YoY (LFL increase 20%)
  - Caustic volume up 84%
    - Merger of ABCIL
    - Vilayat Caustic plant achieved 100% capacity utilisation
  - Epoxy volumes up by 66% with product approvals from major customers in place
- EBITDA up by 118% at ₹ 5.2 bn.
  - EBITDA of existing operation increased from ₹ 2.4 bn. to ₹ 2.9 bn.
  - Merger of ABCIL added ₹ 2.3 bn.

Presentation Structure

- Introduction
- VSF Business
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- Vilayat Facility

Vilayat Facility – Salient Features

Vilayat Complex

- 3 main product plants and various auxiliary plants
- Co-gen captive Thermal Power Plant to meet power and steam requirement

Viscose Staple Fibre

- Capacity : 120K TPA
- Focus on Specialty Fibre (Modal & Micro Modal)
- Integration with Chemical Plant for synergies in Raw Materials and Effluents
- Focus on Latest Technology
  - CFBC based Steam Generation Unit for increased efficiency and reduced emissions
  - "Reverse Osmosis" waste water treatment for Maximizing Recycling of Effluent
  - Significant reduction in emissions through use of Genosorb Technology
  - Gas Based CS2 Plant – Reduced Emissions and dependency on Charcoal
  - Efficiency in Energy usage through start of the art equipment and plant layout
  - Best in class Quality through improved Process Controls

Vilayat Facility – Salient Features

Caustic Soda

- Capacity : 182K TPA
- State of the art latest technology plant
- Raw material (salt) sources are located nearby
- Portfolio of Value Added Products for effective chlorine usage

Epoxy

- Capacity : 52K TPA, largest in India
- Portfolio of Value Added Products (Formulated Resins, Reactive Diluents, Hardeners)

Thank You

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