



Ref No. GIL/CFD/SEC/21/101/SE

12th November 2020

BSE Limited
Dalal Street,
Phiroze Jeejeebhoy Towers,
Mumbai 400 001
Scrip Code: 500300

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

Dear Sirs,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the Board of Directors (“**Board**”) of Grasim Industries Limited (“**Company**”), at its meeting held on 12th November 2020 has approved the transfer of the Company’s business of manufacture, trading and sale of urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and specialty fertilisers (“**Fertiliser Business**”), as a going concern, on a slump sale basis, to Indorama India Private Limited (“**I IPL**”).

The slump sale is proposed to be effected through a Scheme of Arrangement between the Company and I IPL and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013 (“**Act**”) and other provisions of applicable law. The Company has also entered into agreement between the Company, I IPL and Indorama Corporation Pte. Limited regarding the sale and transfer of the IGF Business from Company to I IPL, pursuant to the Scheme of Arrangement.

The transaction is subject to the approval of the shareholders and creditors of the Company, and necessary regulatory approvals including from SEBI, the jurisdictional National Company Law Tribunals and the Competition Commission of India. Press Release in this regard is enclosed as Annexure -1.

The details required to be disclosed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed as Annexure-2 to this intimation.

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.
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Europe

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



Grasim Industries Unlocks Value

Divests Fertiliser Business to Indorama Corporation for Rs. 2,649 Cr.

The Board of Directors of Grasim Industries Limited ("Grasim" or "the Company"), at its meeting held today, approved the divestment of the Company's Fertiliser Business, Indo Gulf Fertilisers ("IGF"), by way of a slump sale to Indorama India Private Ltd ("IIP"), a subsidiary of Indorama Corporation Pte. Ltd, Singapore ("Indorama Corporation"). The transfer of the business will be for a lump-sum cash consideration of Rs. 2,649 Cr., to be paid by IIP to Grasim. This consideration is commensurate to the strength and future potential of the business.

Indo Gulf Fertilisers is engaged in manufacturing, trading, and sale of urea and other agri-inputs with a 1.2 Mn TPA Urea manufacturing plant at Jagdishpur in Uttar Pradesh.

The divestment of the Fertiliser Business is a significant value unlocking exercise for Grasim. It will further enable the Company to pursue growth opportunities in its core businesses.

Speaking on the transaction, Mr. Dilip Gaur, MD Grasim Industries Ltd said *"The divestment of the Fertiliser business by Grasim is a strategic portfolio choice and unlocks value for the shareholders. It is in line with the strategic thrust of the Company to focus on core businesses. Indo Gulf Fertilisers is synonymous with strong performance and high sustainability standards. To take it to the next level in size and value, the company is pleased to have found in Indorama Corporation, a credible fertiliser player to own IGF. IGF will benefit from synergies and expertise of Indorama Corporation's existing agri portfolio."*

Mr. Amit Lohia, Vice Chairman of Indorama Corporation, said, *"We are pleased that with this acquisition, Shaktiman and the Paras brands will be able to join hands to offer a complete range of products for our farmers including urea, phosphate fertilisers, potash, soil health products, seeds, and crop protection products. We are excited about this union and believe it will facilitate greater access and development of high quality agri inputs for the farming community."*

The Fertiliser Business shall be transferred to IIP on slump sale basis, pursuant to a scheme of arrangement. The lump sum consideration is subject to certain

adjustments as agreed between the parties in terms of the definitive agreement and the Scheme. The transaction is subject to the necessary statutory and regulatory approvals including approvals of the NCLT, the Stock Exchanges, SEBI, Competition Commission of India (CCI), the respective Shareholders and lenders / creditors of each of the companies.

Advisors to Grasim Industries

Independent Registered Valuer: Ms. Drushti Desai (Partner– Bansi S. Mehta & Co.)

Independent Fairness Opinion: Kotak Mahindra Capital Company Limited

Legal Advisors: Cyril Amarchand Mangaldas

About Grasim Industries Ltd

Grasim Industries Limited, a flagship company of the Aditya Birla Group, ranks amongst the top publicly listed companies in India. Incorporated in 1947, it started as a textiles manufacturer in India. Today, it has evolved into a leading diversified player with leadership presence across many sectors. It is a leading global producer of Viscose Staple Fibre, the largest Chlor-Alkali, Linen and Insulators player in India. Through its subsidiaries, UltraTech Cement and Aditya Birla Capital, it is also India's largest cement producer and a leading diversified financial services player. At Grasim, there is an endeavour to create sustainable value for 24,000+ employees, 230,000+ shareholders, society and customers. The company reported consolidated net revenue of over US\$ 10.9 Billion and EBITDA of over US\$ 1.9 Billion in FY 2020.

About Indorama Corporation

Indorama Corporation is one of Asia's leading chemical holding company with its subsidiaries manufacturing fertilisers, polyethylene and polypropylene resins, medical gloves, polyester fibers and resins, spun yarns and cotton fibre. It is the largest producer of Urea and Phosphate Fertilisers in Sub-Saharan Africa, the largest producer of polyolefins in West Africa, and the third largest producer of synthetic rubber gloves in the world. Through IIP, in India, it is a leading producer of Phosphate fertilizers, marketed under the brand Paras.



ANNEXURE-2

Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sale or disposal of unit or division

a) Name of the entity(ies) involved in the scheme; details in brief such as, size, turnover etc.	Transferor: Grasim Industries Limited (“Company”) Consolidated Turnover for FY 2019-20 – INR 77,625.10 Crore
b) Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies, if yes details thereof	Indorama India Private Limited (formerly IRC Agrochemicals Private Limited) (“IIPL”), a private limited company, incorporated under the Companies Act, 2013, with registered office at Ecocentre, EM-4, 12 th Floor, Unit No ECSL 1201, Sector V, Salt Lake, Kolkata 700091. IIPL is not part of the promoter or promoter group or group companies of the Company.
c) Date on which the agreement for sale has been entered into	12 th November 2020
d) Turnover of such unit or division of the listed entity and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	Turnover of the Unit-INR 2,679.51 Crore (FY 20) and Percentage to the total Consolidated Turnover of the Company- 3.45%
e) Net worth of such unit or division of the listed entity and percentage to the total net-worth of the listed entity in the immediately preceding financial year / based on financials of the last financial year	Net worth of the Unit-INR 1,337.25 Crore (FY 20) and Percentage to the total Consolidated net worth of the Company- 2.36%
f) Area of business of the entity(ies)	Company is <i>inter-alia</i> engaged in and is a leading global producer of Viscose Staple Fibre, the largest Chlor-Alkali, Fertiliser, Textiles and Insulators player in India. Through its subsidiaries, UltraTech Cement and Aditya Birla Capital, it is also the India’s largest cement producer and a leading diversified financial services player.

Grasim Industries Limited

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	I IPL is <i>inter-alia</i> engaged in production of phosphate-based fertilizers in Haldia, which is located in the state of West Bengal in India
g) Rationale of the scheme	Divestment will help the Company release capital and resources to focus and pursue growth opportunities in its core businesses
h) In case of cash consideration – amount or otherwise share exchange ratio	The consideration for the transfer of business of the Company involving manufacture, trading and sale of urea, customised fertilisers, agri-inputs, crop protection, plant and soil health products and speciality fertilisers (“ Fertiliser Business ”) to I IPL, on a slump sale basis pursuant to the Scheme, is INR 2,649 Crs, subject to customary closing adjustments.
i) Whether the transaction would fall within related party transactions? If yes, whether the same is done at arms’ length?	No, the transaction is not a related party transaction.
j) Brief details of change in shareholding pattern (if any) of listed entity	There is no change in shareholding pattern since the Company will be transferring the Fertiliser Business to I IPL on a slump sale basis for cash consideration.
k) The expected date of completion of sale/disposal	The Scheme is subject to the approval of the shareholders, creditors, sanction of the jurisdictional National Company Law Tribunals, approval of the Competition Commission of India, SEBI, BSE Limited, National Stock Exchange of India Limited, and other statutory and regulatory approvals and is expected to take around 9 months to be consummated, subject to regulatory approvals.

For **Grasim Industries Limited**

Hutokshi Wadia
President & Company Secretary