



Ref No. GIL/CFD/SEC/23/122/SE

14<sup>th</sup> November 2022

**BSE Limited**

Dalal Street,  
Phiroze Jeejeebhoy Towers, Fort  
Mumbai - 400 001  
**Scrip Code: 500300**

**The National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai - 400 051  
**Symbol: GRASIM**

Dear Sirs,

**Sub: Intimation under Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

Pursuant to Regulation 30 of the Listing Regulations, please find attached a press release on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30<sup>th</sup> September 2022.

The above is for your information and records, please.

Thanking you,

Yours sincerely,  
**For Grasim Industries Limited**

**Sailesh Daga**  
**Company Secretary**  
**FCS - 4164**

Encl: as above

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

**Citibank N.A.**  
Depository Receipt  
Services  
388 Greenwich Street,  
6<sup>th</sup> Floor, New York,  
NY 10013

**Citibank N.A.**  
Custodial Services  
FIFC, 11<sup>th</sup> Floor, C-54 & 55,  
G Block Bandra Kurla  
Complex, Bandra (East),  
Mumbai – 400098



## Partner in Nation Building for 75 Years Implementing Next Phase of Transformational Growth Journey

- **Highest ever Quarterly EBITDA ₹1,712 Cr. & PAT ₹1,052 Cr. at Standalone Level**
- Consolidated Revenue at ₹27,486 Cr. up 22% (YoY), EBITDA at ₹3,783 Cr. and PAT at ₹1,097 Cr.
- Strong performance by Chlor-Alkali business
- Zero net debt at standalone level in Q2FY23
- Launch of B2B E-commerce Platform for Building Materials scheduled for Q2FY24

### QUARTERLY FINANCIAL RESULTS

₹ Cr.

Standalone				Consolidated		
Q2FY23	Q2FY22	% Change (Y-o-Y)		Q2FY23	Q2FY22	% Change (Y-o-Y)
<b>6,745</b>	4,933	37	<b>Revenue</b>	<b>27,486</b>	22,567	22
<b>1,712</b>	1,504	14	<b>EBITDA</b>	<b>3,783</b>	4,282	-12
<b>1,052</b>	947	11	<b>PAT*</b>	<b>1,097</b>	1,327	-17

\*Before exceptional items and excluding income from discontinued operations.

Grasim Industries Limited today announced its Financial Results for the Quarter ended 30th September 2022 (Q2FY23). Revenue for the quarter grew 22% at the Consolidated level and 37% at the Standalone level on a YoY basis. The Company received a dividend of ₹628 Cr. from its subsidiary, UltraTech Cement Limited during the quarter.

The Company reported robust financial performance despite challenging global market conditions and the sharp increase in energy costs.

### Viscose Business

The global MMCF industry witnessed a demand decline in Q2FY23 from the developed global economies due to high inflation-led recessionary market conditions. China's average VSF operating rates reduced to 66% in Q2FY23 from 76% in Q1FY23 due to continued COVID-induced lockdowns in different cities and global demand decline.

The decline in global cotton prices continued with a 21% reduction in Q2FY23 compared to Q1FY23.

The India-centric demand for VSF remained largely intact, but value chain partners for the global markets have started witnessing the impact of recessionary conditions. Nevertheless, VSF sales volume for the quarter at 170KT was up 10% on a YoY basis, though 14% down on a QoQ basis due to demand conditions coupled with cheaper imports from Indonesia and China. In view of this, the company has rationalised the production of VSF in phases, leading to overall capacity utilisation at ~70% currently.

## **Chemical Business**

Caustic soda sales volume was up 17% YoY to 296KT in Q2FY23 on the back of new capacities commissioned in H2 last year (Rehla and BB Puram). Chlorine VAPs sales volume was up by 19% YoY.

Global caustic soda prices have softened this quarter compared to Q1FY23, mainly due to the easing of global supply chain conditions. This has led to sequentially lower ECU realisation in domestic markets too.

Captive consumption of chlorine increased during the quarter witnessing double-digit growth on YoY basis on the back of our new VAP facility commissioned. Overall, Chlorine integration stood at 61% in this quarter compared to 56% in Q2FY22. The business is working on plans to add new Chlorine VAPs in the portfolio to increase the Chlorine integration levels.

Advanced Material business realisation continued to normalise after peaking last year. Sales volume was up by 8% YoY, with a rising share of specialty products.

## **Paints Business**

The business is focused on the timely execution of the plan. The first plant is to be commissioned in Q4FY24, and the remaining plants by FY25 in a phased manner. The construction work is in progress across five locations and will commence at the remaining one location in Q4FY23. Parallely, the plan for the commercial launch is under execution as per schedule.

## **B2B E-Commerce Business**

The B2B E-commerce business plan is under execution for launch by Q2FY24 as scheduled.

## **Capex Plan**

The total Capex budgeted to be spent during FY23 stood at ₹6,720 Cr, including ₹3,542 Cr. for the Paints Business. Against this budgeted amount, the actual spend till H1FY23 is ₹1,524 Cr.

Additional capex of ₹565 Cr. has been approved by the board for existing businesses, out of which ₹382 Cr. is expected to be spent in FY23.

## **Sustainability**

The Company has made rapid progress in embedding sustainability metrics into its strategy and operations across businesses. In line with its stated commitment to cut carbon emissions, the Chemicals business now sources ~10% of its power requirement from renewable power.

This will increase to 14% by Q1FY24. Further, the Advanced Material business is implementing a plan for sourcing 100% of its power requirement from renewable energy by Q1FY24.

Grasim's ranking in the S&P Dow Jones Sustainability Indices has improved to the 88 percentile in FY22, from the 76 percentile in FY21.

### **Cement Subsidiary - UltraTech Cement Limited (UTCL)**

UltraTech Cement's Consolidated revenue was at ₹13,893 Cr., up 16% YoY in Q2FY23. The Company reported an EBITDA of ₹2,013 Cr. Sales volume stood at ~23 MTPA.

UltraTech has commissioned 1.3 MTPA brownfield capacity during the quarter, taking the total grey cement capacity in India to 115.85 MTPA. Further, UltraTech is working on the growth plans to increase the total capacity to 159.25 MTPA in phases by FY25, reinforcing its position as the third largest cement company in the world, outside of China.

UltraTech is committed to reducing carbon emissions. In line with its commitment, the company commenced 5 MW of WHRS capacity during the quarter. Green power now contributes 19% of the total power requirement. This is expected to increase to 36% by the end of FY25.

### **Financial Services Subsidiary – Aditya Birla Capital Limited (ABCL)**

Aditya Birla Capital Limited (ABCL) reported strong financial performance for the quarter with accelerated growth momentum across its businesses. Consolidated revenue was up 22% YoY to ₹6,825 Cr. The Company also reported its highest-ever Consolidated PAT at ₹488 Cr.

ABCL added 2 million customers during the quarter, taking the total active customer base to 41 million.

The NBFC loan book grew 36% YoY to ₹64,975 Cr in Q2FY23, with 65% of the total book contributed by Retail, SME and HNI. The Net Interest Margin (incl. fee income) for NBFC business is up 35bps YoY to 6.58% in Q2FY23. Housing Finance Net interest margin (NIM) expanded by 89 bps YoY to 5.13%.

In Asset Management, the Domestic AUM stood at ₹2,82,580 Cr.

In Life Insurance, Individual First Year Premium (FYP) grew 16% YoY to ₹642 Cr. (Q2FY23). Total Premium grew 30% YoY to ₹6,373 Cr. in H1FY23.

### **About Grasim Industries Limited**

Grasim Industries Limited, a flagship company of the Aditya Birla Group, ranks amongst the top publicly listed companies in India. Grasim is celebrating 75 glorious years of its existence. 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 and Viscose Filament Yarn, the largest Chlor-Alkali, Advanced Material, Linen Yarn and Fabrics producer in India. The company has made an entry into the paints business and setting up six plants across pan India locations. 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 25300+ employees, 262,600+ shareholders, society, and customers. The company reported consolidated net revenue of ₹95,701 Cr. and EBITDA of ₹17,772 Cr. in FY 2022.

## **GRASIM INDUSTRIES LIMITED**

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twitter: [www.twitter.com/adityabirlagrp](https://www.twitter.com/adityabirlagrp) ; Twitter handle: @GrasimInd / @AdityaBirlaGrp

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### Cautionary Statement

Statements in this "Press Release" describing the Company's objectives, projections, estimates, expectations, or predictions may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those express 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.

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