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14th February 2023

BSE Limited
Dalal Street,
Phiroze Jeejeebhoy Towers, Fort
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: 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 ended 31st December 2022.

The above is for your information and records, please.

Thanking you,

Yours sincerely,
For Grasim Industries Limited

Sailesh Kumar 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,
6th Floor, New York,
NY 10013

Citibank N.A.
Custodial Services
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G Block Bandra Kurla
Complex, Bandra (East),
Mumbai – 400098



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

- Consolidated 9MFY23 Revenue at ₹84,165 Cr. up 26% YoY, PAT* at ₹5,458 Cr. up 14% YoY
- Standalone 9MFY23 Revenue at ₹20,194 Cr. up 39%, PAT^ at ₹2,118 Cr. up 7% YoY
- Strong performance in Chemicals Business
- Paints & B2B E-Commerce: Implementation plans are progressing as per schedule
- ESG Ratings upgraded to "BBB" by MSCI

Grasim Industries Limited today announced its Financial Results for the Quarter ended 31st December 2022 (Q3FY23). Consolidated revenue for Q3FY23 grew 17% to ₹28,638 Cr. driven by strong performance of the subsidiaries: UltraTech Cement and Aditya Birla Capital. Consolidated PAT* for the quarter stood at ₹2,516 Cr. up 44% YoY.

CONSOLIDATED FINANCIAL RESULTS

₹ Cr.

YTD PERFORMANCE				QUARTER PERFORMANCE		
9MFY23	9MFY22	% YoY		Q3FY23	Q3FY22	% YoY
84,165	66,890	26%	Revenue	28,638	24,402	17%
5,458	4,773	14%	PAT*	2,516	1,746	44%

*PAT includes fair value gain recognised by Aditya Birla Capital Limited post acquisition of 9.99% stake by ADIA entities in Aditya Birla Health Insurance Limited.

STANDALONE FINANCIAL RESULTS

₹ Cr.

YTD PERFORMANCE				QUARTER PERFORMANCE		
9MFY23	9MFY22	% YoY		Q3FY23	Q3FY22	% YoY
20,194	14,480	39%	Revenue	6,196	5,785	7%
2,118	1,983	7%	PAT^	257	522	(51%)

^Before exceptional items

The Company reported stable financial performance over 9MFY23 despite multiple headwinds and recessionary fears globally. While domestic consumption remained healthy, global macroeconomic conditions impacted export related demand. Operational profitability for the quarter was adversely affected by elevated input prices.



At Grasm, our long-term strategy of market leadership in each of the business segments has yielded sustained value creation for the stakeholders. We remain committed to expanding our product offerings through innovation with a greater focus on Speciality segments. The Cost Leadership and Strong Balance Sheet provide the required strength to face such cyclical volatility.

Viscose Business

Viscose Staple Fibre (VSF) value chain partners have witnessed a prolonged global demand slowdown on the back of geo-political instability, recessionary fears and consequential consumption slowdown. Thus, exports led demand from the value chain partners was impacted and ripples were felt across the Indian textiles market.

China's average operating rate reduced to 66% in Q3FY23, down 7 percentage points compared to 2-YR average operating rates. Even at lower operating levels, the inventories were up at 27 days, an increase of 5 days compared to Q2FY23. The decline in global cotton prices continued with a 19% reduction in Q3FY23 compared to Q2FY23. This coupled with the demand slowdown resulted in a decline in China VSF prices by 16% QoQ. With the lifting of COVID lockdowns in China, signs of demand improvement are now showing up.

The global demand slowdown and resilient demand conditions in India led to increased exports from Indonesia to India at lower prices. Further, zero import duty in India on these imports created pressure on domestic prices. At the same time, input prices continued to remain at elevated levels.

The revenue for the Viscose business declined by 5% YoY to ₹3,182 Cr. and EBITDA at ₹63 Cr was down 84% YoY. The lower operating rates of VSF at 71% coupled with pressure on pricing and high input costs have resulted in negative EBITDA in VSF business for Q3. However, this was offset by good performance of Viscose Filament Yarn (VFY) business.

Chemicals Business

Chlor-Alkali (Caustic soda) volumes were up 2% YoY to 284KT in Q3FY23. There was a slight tapering in demand on QoQ basis due to softness in sectors like textiles, pharma and others. Average quarterly spot prices (CFR SEA) for caustic were lower by 4% YoY to \$694/ton compared to \$724/ton in Q3FY22.

Chlorine Integration increased to 60% this quarter compared to 56% in Q3FY22, supported by new Chloromethane (CMS) facility commissioned in Q3FY22. The business continues to work on adding more chlorine derivatives products in the portfolio.

The Speciality Chemicals (Epoxy Polymers and Curing Agents) business saw realisation level normalise from the peak seen in FY22, as global supply chain issues eased. This business is innovatively increasing applications in infrastructure, mobility and renewable energy.

The revenue for the Chemicals Business was at ₹2,582 Cr up 10% YoY and EBITDA stood at ₹488 Cr down 8% YoY as the speciality chemicals segment saw normalisation of the realisations.



Paints Business

The construction progress remains on track across all six plant locations. The state-of-the-art R&D facility has been commissioned. It is now working on developing innovative products for unique customer experiences. The commercial launch is scheduled for Q4FY24, as per plan.

B2B E-Commerce Business

Most of the senior leadership team has joined. Hiring for the next level is in process. Shortlisting of partners (sourcing, logistics, vendors, etc.) to provide an integrated fulfilment experience to customers is near completion. While the pilot operations have started from January 2023 the full-scale launch will commence from H1FY24.

Capex Plan

The total capex spent towards Paints Business till 31st December 2022 stood at ₹1,817 Cr. (~18% of the total planned outlay for the Paints business).

The total Capex for all other businesses was ₹1,370 Cr. in 9MFY23 against a budget of ₹3,498 Cr. for FY23. The Board has also approved an investment of ₹363 Cr. for Chlorine derivatives projects in the Chemicals business.

Sustainability

Grasim's ESG rating has been upgraded to 'BBB' from 'BB' by MSCI, recognising the consistent progress made by the company towards sustainability initiatives.

The share of renewable energy in power consumption for the Chemicals business increased to 8.3% for 9MFY23 from 7.2% in FY22. In the Textiles business share of renewable energy improved to 15.8% in 9MFY23 from 14.1% in FY22.

The Company continues to focus on the reduction of freshwater consumption adopting the 4R methodology including commissioning of ZLD plants at various sites.

Cement Subsidiary - UltraTech Cement Limited (UltraTech)

Cement Sales volume stood at ~26 MTPA, up 12% YoY. Capacity utilisation for the quarter stood at 83% compared to 75% in Q3FY22. Consolidated revenue was at ₹15,521 Cr., up 20% YoY in Q3FY23 and EBITDA for the quarter was ₹2,462 Cr.

Under the first phase of capacity expansion announced in December 2020, UltraTech commissioned 5.5 mtpa new capacity during Q3FY23. Work on 2nd phase of growth of 22.6 mtpa announced during Q1FY23 has already commenced. Upon completion of all planned expansions, UltraTech's capacity would grow to 159.25 mtpa, reinforcing its position as the third largest cement company in the world, outside of China and the largest in India.

On the sustainability front, UltraTech commissioned 18 MW of waste heat recovery system (WHRS) and 7 MW of solar power during the quarter. With these expansions, UltraTech's green energy share has gone up to 19.8% which includes 208 MW of WHRS and 325 MW of solar power.



Financial Services Subsidiary – Aditya Birla Capital Limited (ABCL)

Aditya Birla Capital Limited (ABCL) reported strong quarterly performance with accelerated growth momentum across its businesses. Consolidated revenue was up 25% YoY to ₹6,894 Cr. ABCL reported PAT (excluding fair value and stake sale gains) growth of 25% YoY to ₹530 Cr. ABCL added 1.4 million customers during the quarter, taking the total active customer base to ~43 million.

Post preferential allotment of equity shares to Abu Dhabi Investment Authority (ADIA), Aditya Birla Health Insurance ceases to be a subsidiary of Aditya Birla Capital Limited (ABCL) and has been accounted as a Joint Venture in the current quarter (Q3FY23).

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, Diversified Chemicals, Linen Yarn, and Fabrics producer in India. The company recently has entered paints business and setting up six plants across pan India locations. Leveraging the Group synergies, Grasim is entering the B2B online marketplace for building materials. Through its subsidiaries, UltraTech Cement and Aditya Birla Capital, it is also India's prominent 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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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.