



Ref No. GIL/CFD/SEC/23/123/SE

14th 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, 5th Floor, Plot No. C/1,
G Block, Bandra - Kurla Complex,
Bandra (East), Mumbai - 400 051
Symbol: GRASIM

Dear Sirs,

Sub: Presentation on Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30th September 2022

This is with reference to our letter dated 8th November 2022 regarding intimation of schedule of Analysts / Institutional Investor Meeting to be held on 14th November 2022.

Please find enclosed a copy of the Presentation on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30th September 2022, which will be presented to the investors and also posted on our websites, www.grasim.com and www.adityabirla.com.

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.
Depositary Receipt
Services
388 Greenwich Street,
6th Floor, New York,
NY 10013

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



ADITYA BIRLA



GRASIM

Grasim Industries Limited

Investor Presentation
Q2 FY2022-23
14th November 2022



BIG IN YOUR LIFE

#1 | In Viscose @ **#1** | In Chlor - Alkali* **#1** | In Advanced Material*

57.27%



Market Cap
(November 11th, 2022):
INR 1.97 Lakh Crore
(USD 24.18 Billion)



Market Cap
(November 11th, 2022):
INR 1,12,481 Crore
(USD 13.83 Billion)

54.17%



Market Cap
(November 11th, 2022):
INR 31,043 Crore
(USD 3.82 Billion)

- # No. 1 Cement Producer in India
- # No. 3 Global Producer (Ex- China)
- # Leading Player of White Cement and Cement-based Putty
- # Leading RMC Player in India

- # A leading Financial Services Conglomerate
- # Universal Financial Services Provider: NBFC, Housing Finance, AMC, Life insurance, Health Insurance
- # 41 million Active Customers

@ Leadership in India in Viscose Staple Fiber, Modal, 3rd Generation Viscose and Viscose Filament Yarn

*Leadership in India in Chlor-alkali (Caustic soda and Chlorine derivatives namely Chloro Paraffin Wax, Poly Aluminium Chloride and Phosphoric Acid) and Advanced Material (Epoxy Resins)

FINANCIAL OVERVIEW

PERFORMANCE HIGHLIGHTS Q2FY23

Robust performance at Standalone level

- Revenue up 37% YoY to ₹6,745 Cr.
- Highest ever EBITDA and PAT at ₹1,712 Cr. and ₹1,052 Cr. up 14% and 11% YoY respectively

- Consolidated revenue up 22% YoY to ₹27,486 Cr.; EBITDA at ₹3,783 Cr. down by 12% YoY

- VSF sales volume up 10% YoY, though down 14% QoQ due to challenging global market conditions

- Strong quarterly performance of Chlor-Alkali business; Caustic Soda sales volume up 17% YoY

- Chemical business increased share of renewable power to 9.9% in Q2FY23 (7.9% in Q1FY23)
 - Renewable power consumption to increase to 14% by Q1FY24

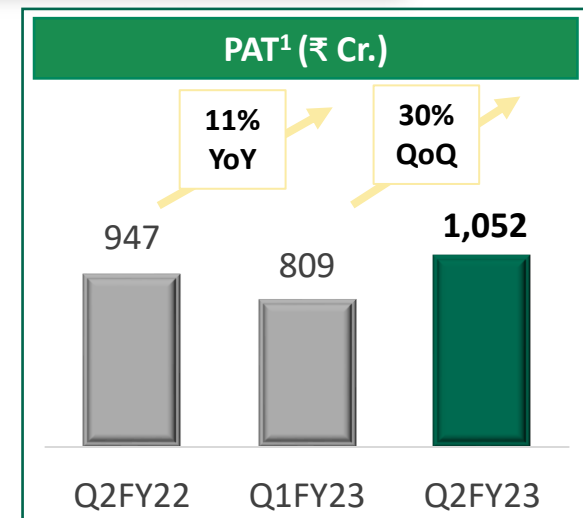
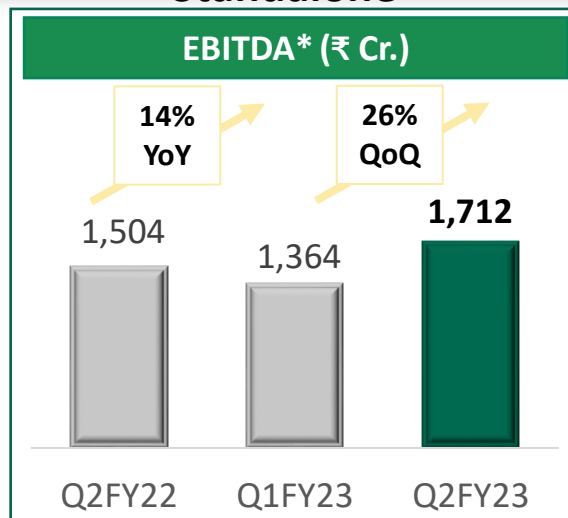
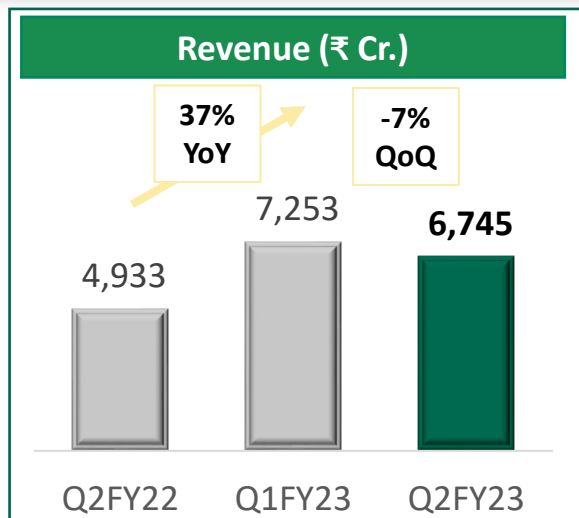
- Paints business on track for commercial launch in Q4FY24
 - Plant construction progressing well at five sites

- B2B E-commerce business plan under execution for commercial launch by Q2FY24

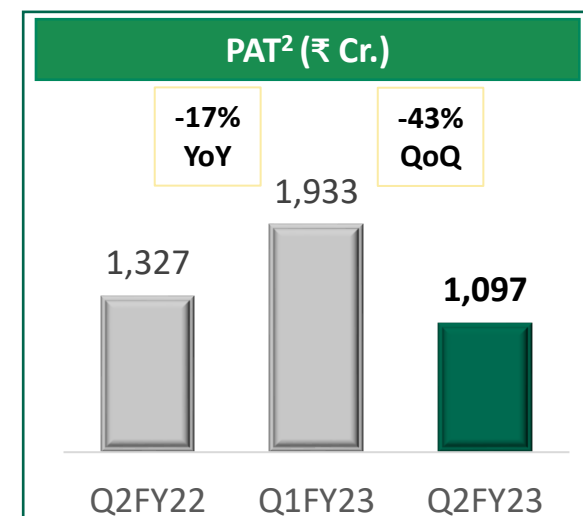
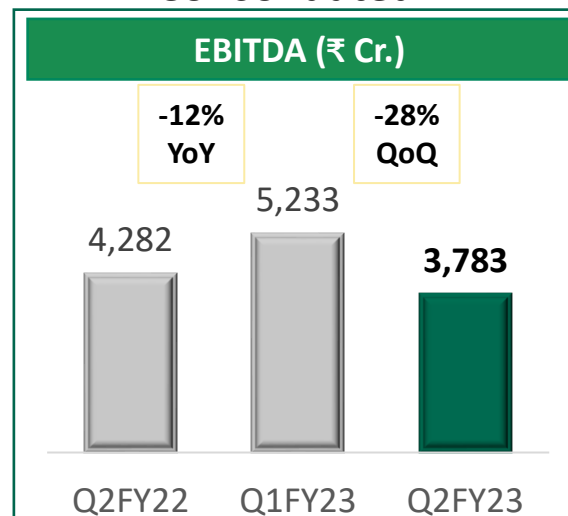
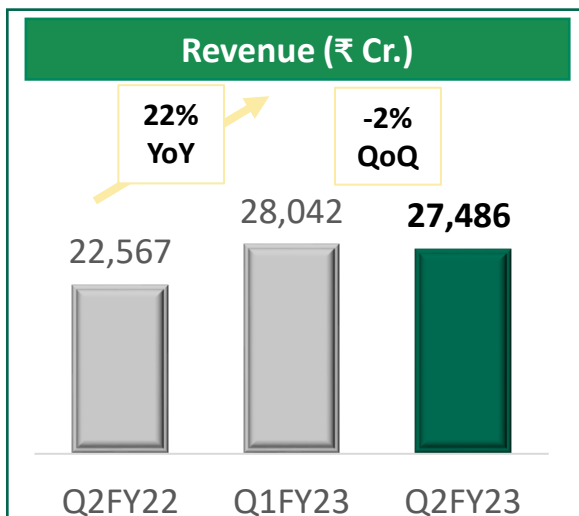
- Substantial improvement in S&P DJSI score: 88 percentile for FY22 compared to 76 percentile for FY21

PERFORMANCE HIGHLIGHTS Q2FY23

Standalone



Consolidated

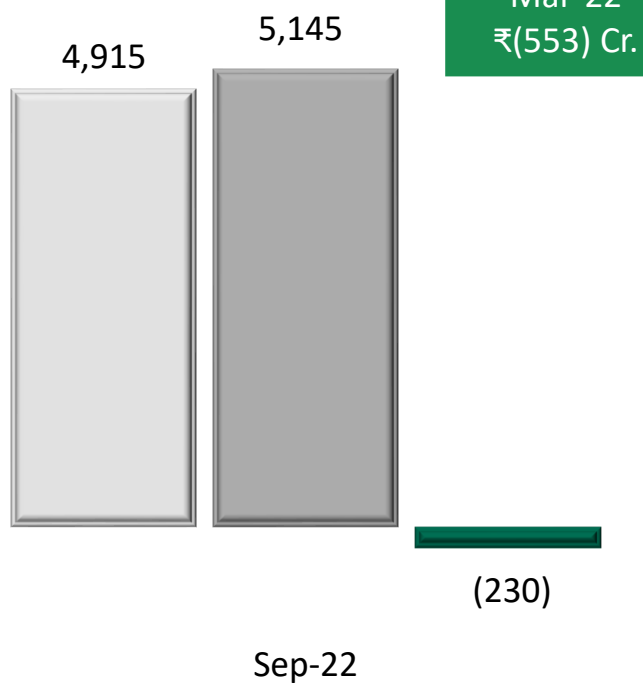


*Including Other Income. ¹ PAT (Before exceptional item and excluding income from discontinued operations).

² Owner's Share of PAT (Before exceptional item and excluding income from discontinued operations).

STRONG BALANCE SHEET

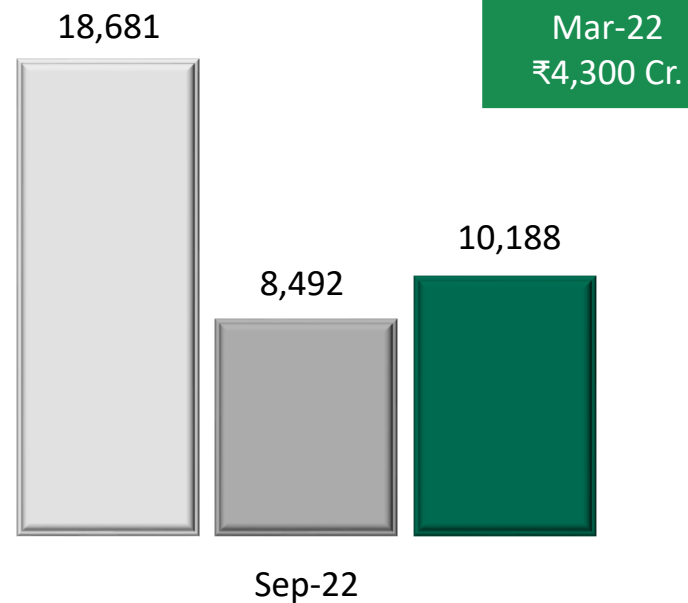
Standalone (₹ Cr.)



Consolidated (₹ Cr.)

Net Debt/ EBITDA
(12M EBITDA)

0.67x




Gross Debt
 Liquid investments
 Net Debt

Note: Gross Debt includes suppliers' credit of ₹302.56 Cr. as on 30th September'22 and ₹183.40 Cr. as on 31st March'22.

CAPEX PLAN

Particulars (₹ Cr.)	Budgeted Capex for FY23*	Capex Spent for Q2FY23	Capex Spent till H1FY23
Viscose Staple Fibre			
<i>Capacity Expansion (including debottlenecking)</i>	680	91	157
<i>Modernisation and Maintenance Capex</i>	844	84	174
Chemicals			
<i>Capacity Expansion - Chlor-Alkali & VAPs</i>	572	88	127
<i>Caustic Soda: (1,311 KTPA -->1,530 KTPA)</i>			
<i>Capacity Expansion - Epoxy</i>	407	36	63
<i>Epoxy: (123 KTPA --> 246 KTPA)</i>			
<i>Modernisation and Maintenance Capex</i>	544	130	191
Other Businesses			
<i>VFY, Textiles and Insulator</i>	451	91	160
Total	3,498	520	873

 Total capex for Paints business stood at ₹1,263 Cr. till 30th September'22 (₹439 Cr. in Q2FY23)

*The board has approved additional capex of ₹565 Cr. out of which ₹382 Cr. will be spent in H2FY23 and the same has been included in the budgeted capex for FY23.

PAINTS: PROJECT PROGRESS UPDATE

- Environmental clearance and Consent to establish received for five sites out of six
 - Civil work in progress at five sites
- On track for commissioning of first plant in Q4FY24 and remaining plants by FY25 in a phased manner
- Key functional staffing has been substantially completed
- Global standard R&D centre established and fully functional
- Pilot Plant expected to be commissioned by end of November'22
- Overall capex spent till 30th September'22 is ₹1,263 Cr. (~13% of the total Project Cost)

B2B E-COMMERCE: PROJECT PROGRESS UPDATE

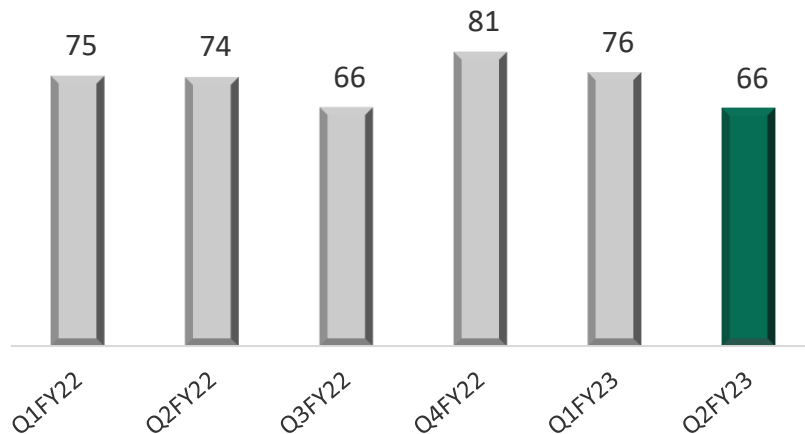
- 🎯 We are on track for commercial launch of Minimum Viable Product-1 (MVP-1) by Q2FY24
- 🎯 Product categories to be covered by the platform: cement, steel, doors and windows, kitchen & electricals, paints, sanitaryware, plumbing and tiles
- 🎯 Leadership team (CEO, CPO, CTO, Category heads and Other positions) hiring is in progress, to be in place by Q4FY23
- 🎯 Technology requirement for the platform identified and the discussions with technology providers and system integrators are in final stages
- 🎯 Research and interviews with the vendors, customers, payment gateways, logistics service providers etc. in process for validating user journey and business model

BUSINESS PERFORMANCE

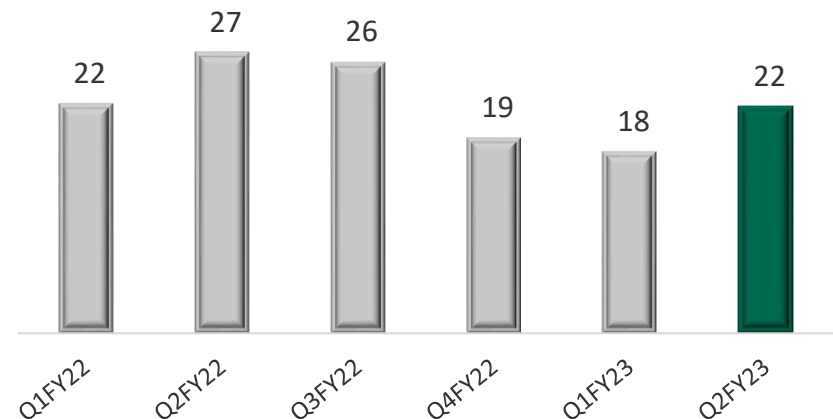
INDUSTRY PERFORMANCE - VISCOSE

- Continued COVID related restrictions in China and high inflation in developed economies impacting VSF demand globally, reflected in lower operating rates in China
- Global demand weakness leading to cheaper exports from China and Indonesia to India
- Demand situation in the domestic markets is relatively better compared to global market conditions led by India-centric consumption

China VSF Plant Operating Rate (in Percentage)



China VSF Plant Inventory (in Days)

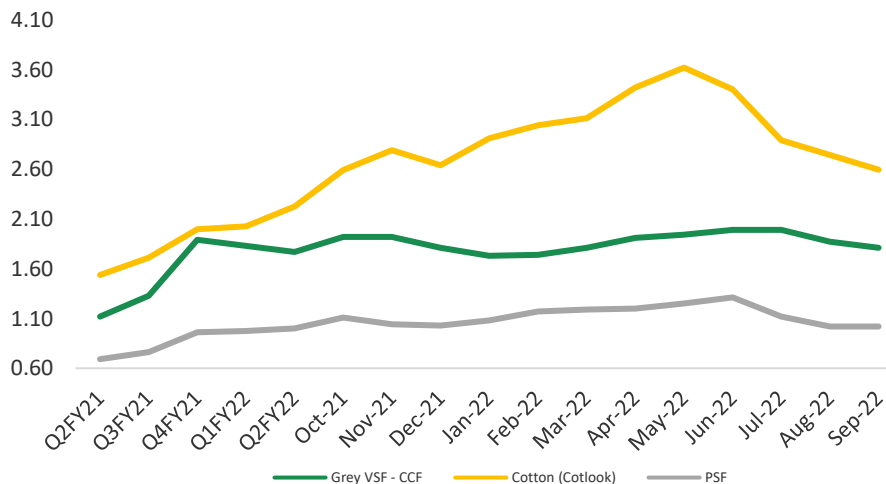


Source: Company estimates, Industry data, USDA, CCF Group and redbook

INDUSTRY PERFORMANCE - VISCOSE

- China VSF average prices were rangebound, averaging at RMB ~14,571 in Q2FY23 (~ 14,685 in Q1FY23)
- Global Cotton prices are normalising from life-time high in May'22;
The normalcy in cotton prices has impacted the global prices of VSF and Polyester
- While global cotton and polyester prices are down 21% and 16% QoQ respectively, VSF prices are down by 3%

Global Prices Trend (\$/Kg)

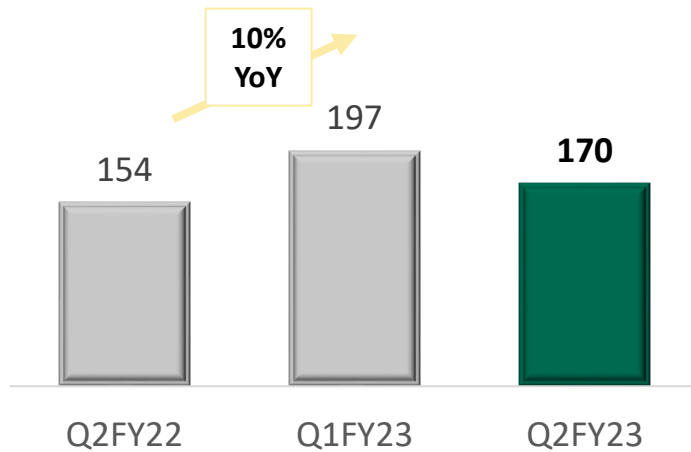


Price Movement	YoY (%)	QoQ (%)	Sep Exit Price (Δ over Q2FY23)
Grey VSF - CCF	7%	-3%	1.81 \$/Kg (-4%)
Cotton	23%	-21%	2.59 \$/Kg (-6%)
PSF	5%	-16%	1.02 \$/Kg (-3%)

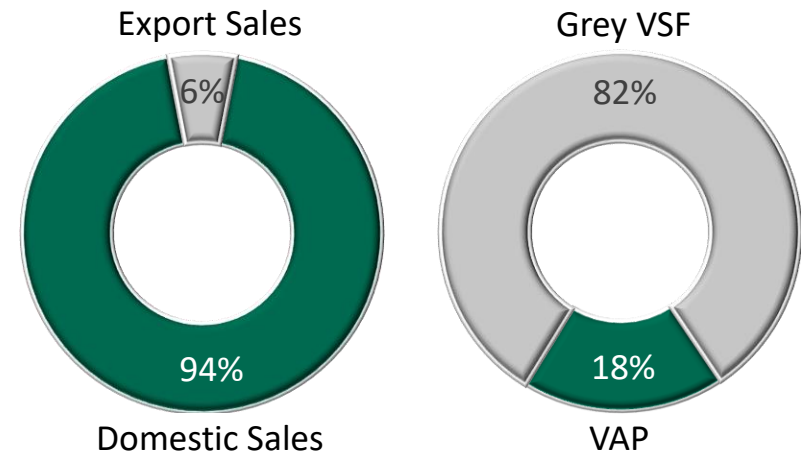
Source: Company estimates, Industry data, USDA, CCF Group and redbook

OPERATING PERFORMANCE - VISCOSE

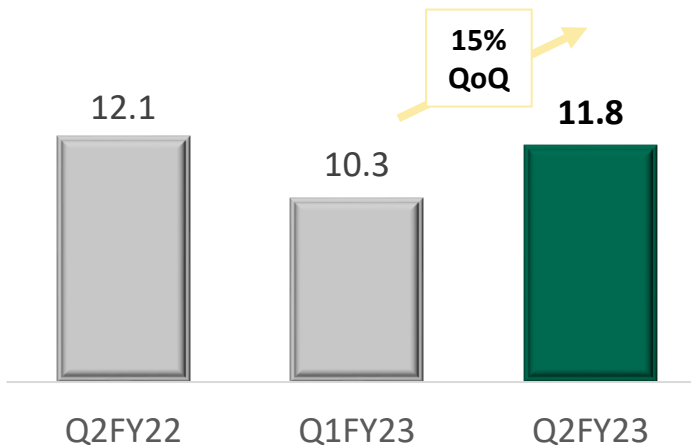
VSF Sales (KT)



Sales Volume Mix



VFY Sales (KT)



Share of domestic sales remained at 94% in Q2FY23 same as Q1FY23

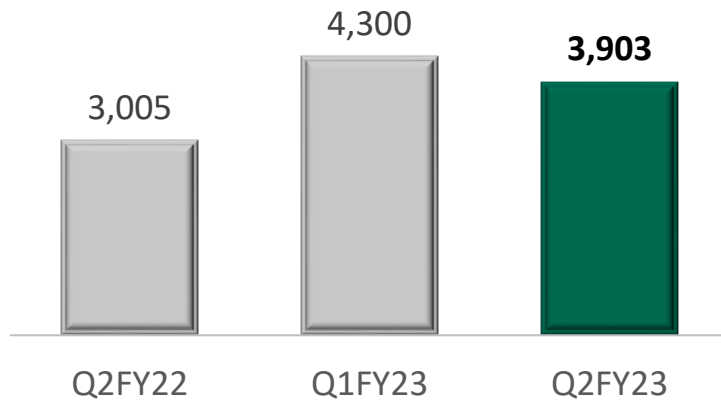
With higher sales volume in domestic market, share of VAPs continues to be on lower than normal level

VFY sales volume increased 15% QoQ

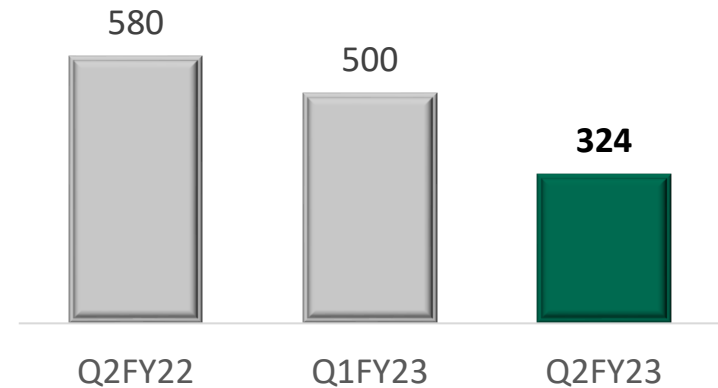
- Capacity utilisation improved to 99% in Q2FY23 (91% in Q2FY22)

FINANCIAL PERFORMANCE - VISCOSE

Revenue¹ (₹ Cr.)



EBITDA¹ (₹ Cr.)



🎯 Viscose Q2FY23 revenue is up by 30% YoY to ₹3,903 Cr.

🎯 VSF EBITDA margins are under pressure with increased cost of key inputs (Pulp, Caustic Soda & Energy prices)

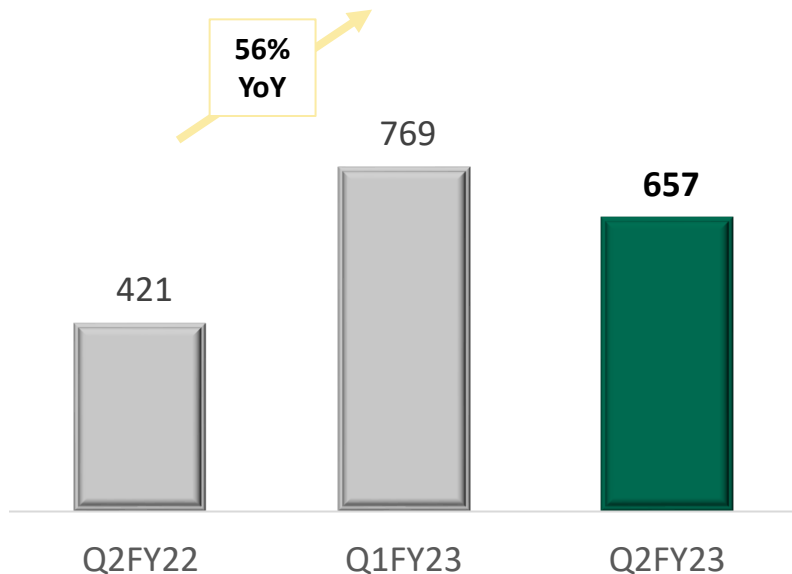
- Though input cost have softened on QoQ basis, lower VSF sales volume impacted EBITDA significantly

🎯 VFY realisation witnessed a rise offsetting the increase in the input cost

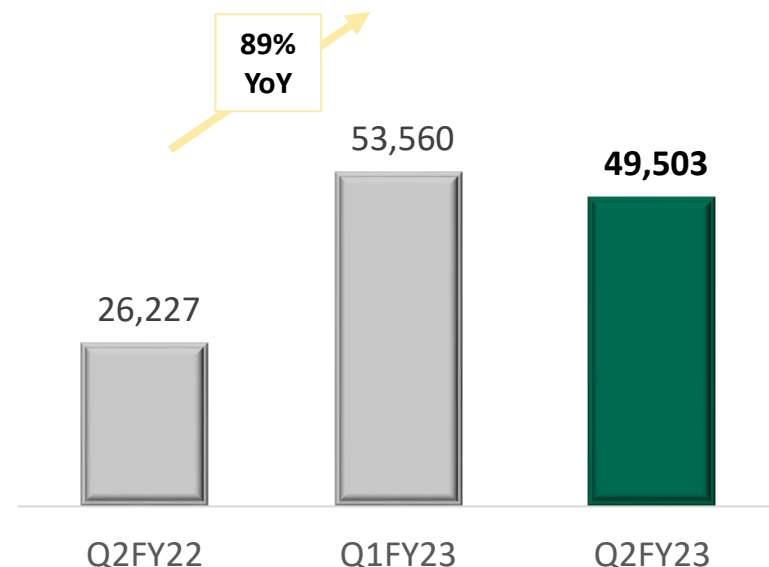
¹Including VFY

FINANCIAL PERFORMANCE - CHEMICALS

Global Caustic Soda Prices (\$/Ton)



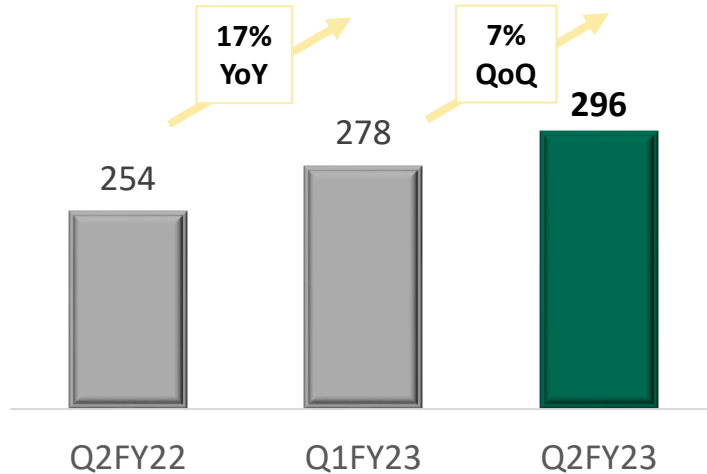
Grasim – ECU (₹/Ton)



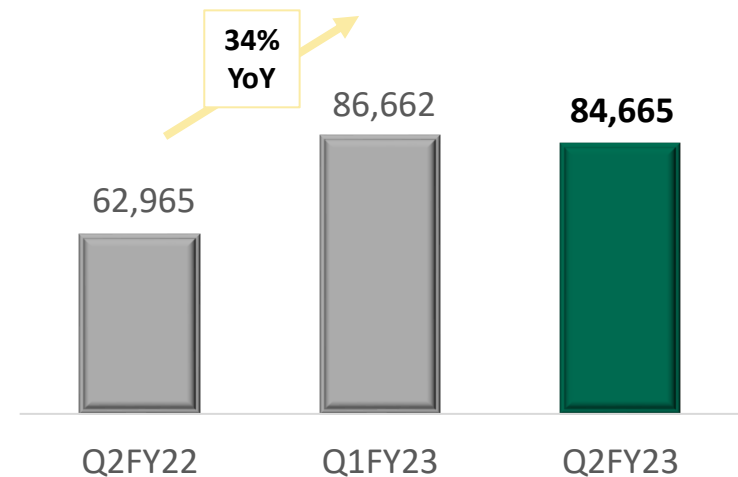
- Global caustic soda prices averaged at \$657 in Q2FY23 after peaking at \$808 in May-22
- ECU realizations improved 89% on YoY basis though lower by 8% in QoQ in line with global trend
- Chlorine realisation continues to stay negative due to over supply

CHEMICALS – KEY OPERATIONAL METRICS

Caustic Soda Sales (KT)



Chlorine & HCl Consumption in VAP (KT)



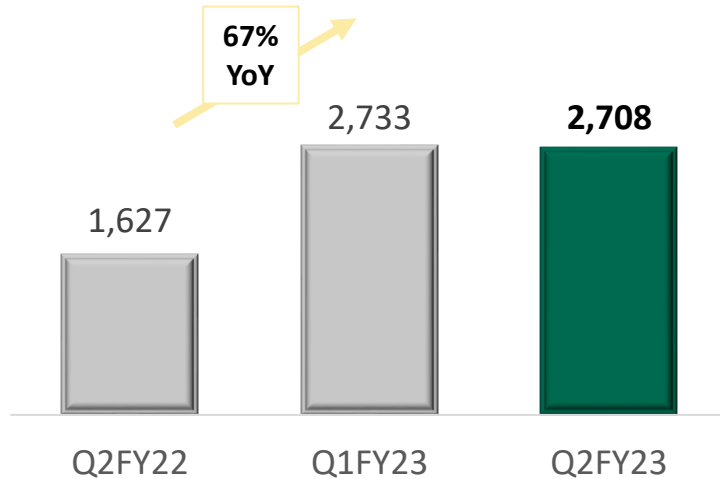
Caustic soda sales volume increased 17% YoY to 296KT in Q2FY23 and utilization rate stood at 90% during the current quarter

The Chlorine consumption in VAPs increased to 31% in Q2FY23 from 27% (Q2FY22) on the back of new CMS facility built in October-21

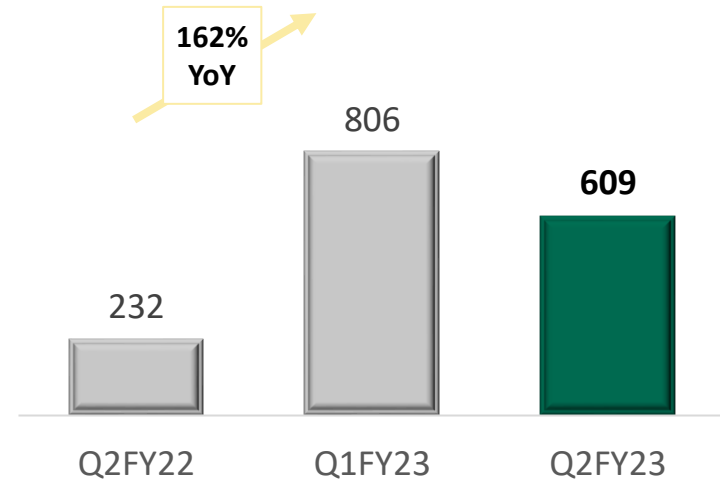
Overall, Chlorine integration including pipeline sales to dedicated customers stood at 61% for Q2FY23

FINANCIAL PERFORMANCE - CHEMICALS

Revenue (₹ Cr.)



EBITDA (₹ Cr.)



Revenue & EBITDA for Q2FY23 up by 67% & 162% YoY respectively led by strong volume growth and better ECU realisations

- EBITDA declined on QoQ basis on account of lower ECU realisations coupled with increased input cost



The share of renewable energy in electricity consumption for chemical business increased to 9.9% for Q2FY23 from 7.9% in Q1FY23

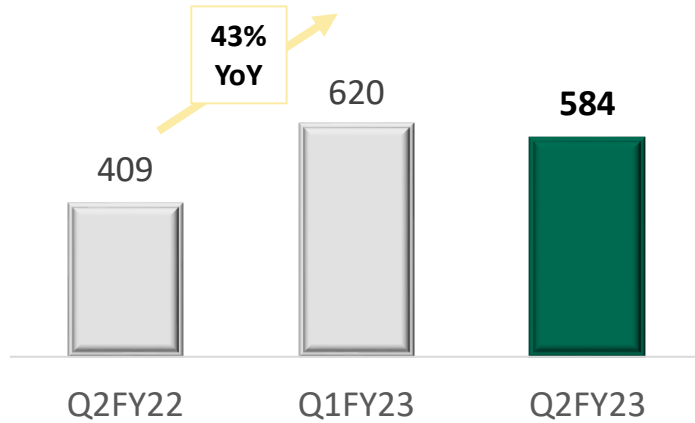


Advanced Material business reported increased sales volume by 8% on YoY basis, realisations continued the normalising trajectory after peaking in last year

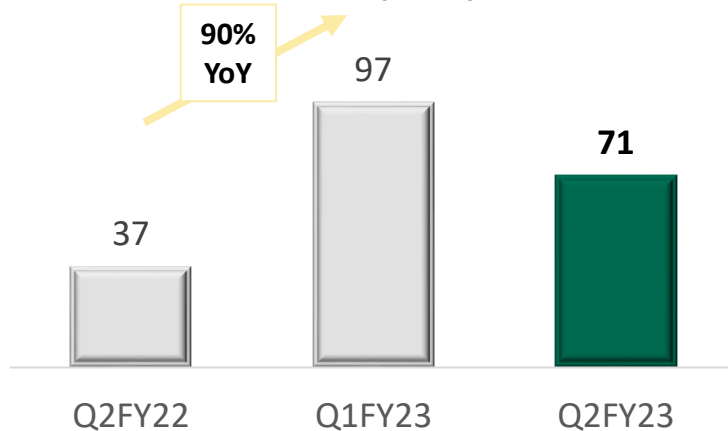
FINANCIAL PERFORMANCE – OTHER BUSINESSES

Textile

Revenue (₹ Cr.)

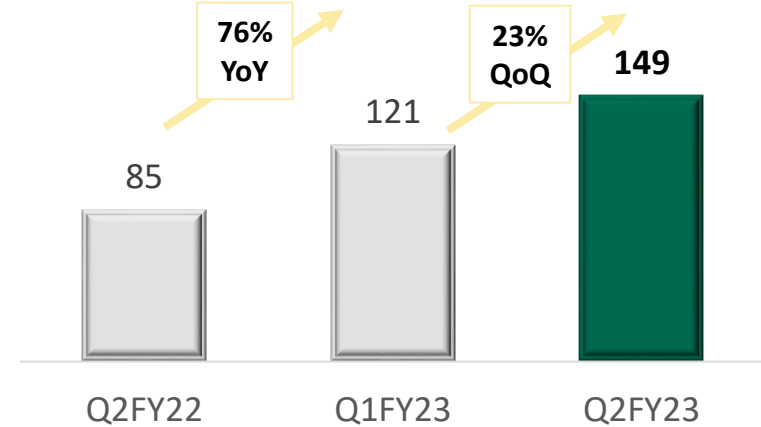


EBITDA (₹ Cr.)

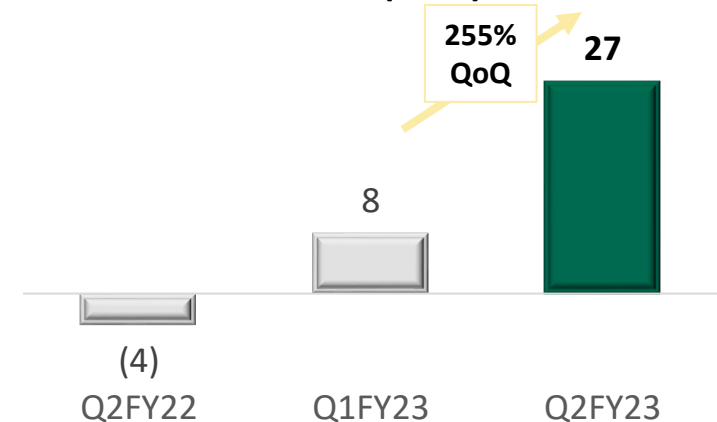


Insulators

Revenue (₹ Cr.)

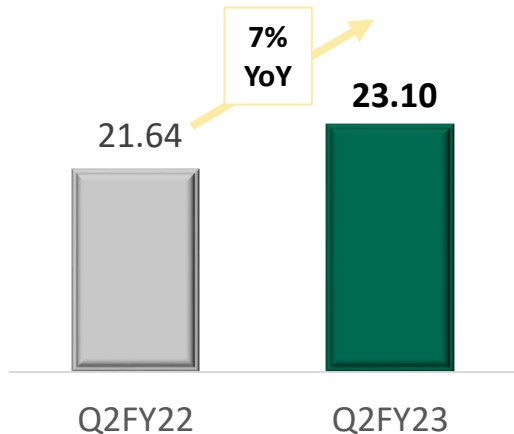


EBITDA (₹ Cr.)

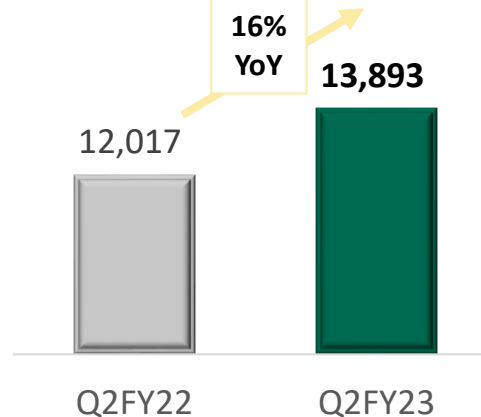


FINANCIAL PERFORMANCE – UltraTech

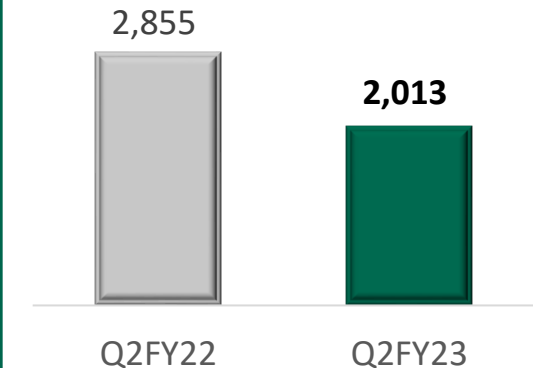
Sales volume (Million Ton)



Revenue (₹ Cr.)



EBITDA (₹ Cr.)



Consolidated sales volume grew by 7% YoY to ~23 MTPA in Q2FY23. Revenue grew by 16% YoY to ₹13,893 Cr. and EBITDA stood at ₹2,013 Cr.



EBITDA margins reduced from 23% in Q2FY22 to 14% in Q2FY23 mainly due to Input Cost Increase:

- Energy cost up 58%
- Logistic cost up 2%
- Raw Material cost up 18%



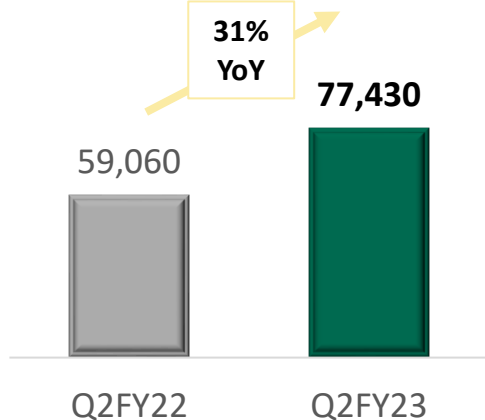
UltraTech achieved capacity utilisation of 76% as against 71% during Q2FY22. Domestic sales volume grew 9.6% on YoY basis, despite heavy monsoons through the quarter



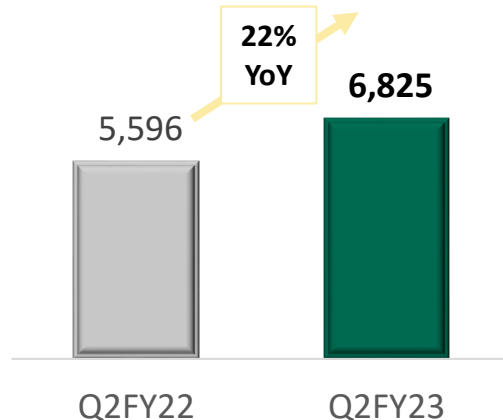
UltraTech's first phase of growth launched in December 2020 is on track and estimated to be completed by the end of FY23 taking total capacity in India to 131.25 MTPA and 136.65 MTPA globally
 During the quarter, the Company commissioned 1.3 MTPA brownfield capacity taking the total capacity in India to 115.85 MTPA and 121.25 MTPA globally

FINANCIAL PERFORMANCE – ABCL

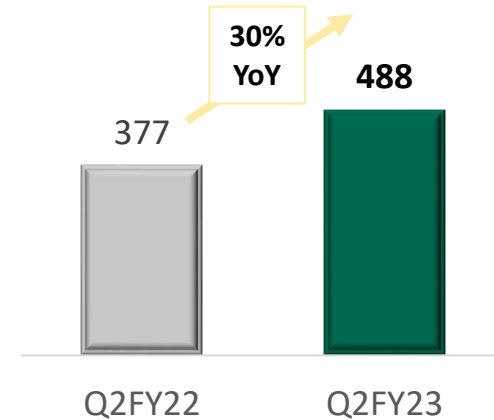
Lending Book (₹ Cr.)*



Revenue (₹ Cr.)



PAT (₹ Cr.)



Strong quarterly performance with accelerated growth momentum across businesses



- Consolidated Revenue at ₹6,825 Cr. up by 22% YoY
- Highest ever consolidated Net Profit of ₹488 Cr., up 30% YoY



- NBFC loan book grew 36% YoY to ₹64,975 Cr. in Q2FY23. Retail, SME and HNI share at 65% of the total book
- Net interest margin (NIM) expanded by 35 bps year on year to 6.58%



- In Asset Management, the Domestic AAUM stood at ₹2,82,580 Cr. (Q2FY23). Continued focus on building retail customer franchise with a total of 8.1 million folios



- Individual First Year Premium (FYP) of life insurance business grew 16% YoY, to ₹642 Cr., significantly ahead of industry growth of 5% in Q2FY23 ; Health Insurance Gross premium grew 62% YoY, to ₹640 Cr.

* Includes NBFC and Housing Finance; ** Individual FYP adjusted for 10% of single premium

FINANCIAL PERFORMANCE – Aditya Birla Renewables

Aditya Birla Renewables

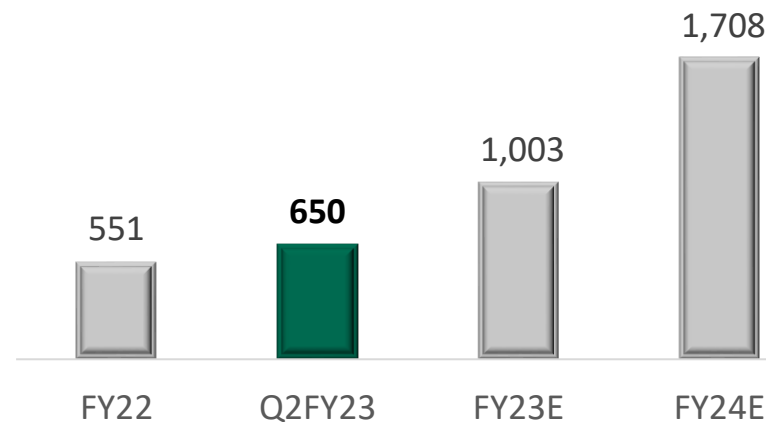
Particulars	₹ Cr.		
	Q2FY22	Q1FY23	Q2FY23
Revenue	49	69	55
EBITDA	42	53	37
EBIT	28	37	21
Capital Employed (Incl. CWIP)	1,964	2,204	2,913

Parameters

Sep-22

Total Cumulative installed capacity (MW)	650
No. of Projects	36
- Capacity with Group Companies (MW)	230
- No. of Projects with Group Companies	23

Renewable Power Capacity (MWp)



Lower EBITDA in Q2FY23 due to seasonal factors

86 MWp solar capacity added in Q2FY23

New Capacity of 353 MWp to be added in H2FY23 taking the total capacity to 1,003 MWp for FY23

- Further plans under way for raising the capacity to 1,708 MWp by FY24

Sustainability Performance

SUSTAINABILITY HIGHLIGHTS

- Substantial improvement in S&P DJSI score at 88 percentile for FY22 compared to 76 percentile of previous year
- VSF Business maintained its Leadership position in 'Canopy's Hot Button Report 2022' by securing highest category – Dark Green Shirt, consecutively for 3 years
- Ganjam unit receive 'Global Environment Awards 2022' from The Energy And Environment Foundation for achievements in waste management and Environment management
- VSF Plant at Vilayat was bestowed with 'ET Promising Plant 2022'
- Chemical business increased the share of renewable power to 9.9% for Q2FY23 in line to increase the share to 14% by Q1FY24
- Textile business has increased the renewable share to 15.7% in H1FY23, significantly improved from 0.8% in FY20
- VSF Business has reduced freshwater intake by 25% in FY23 YTD over FY22

APPENDIX

STANDALONE INCOME STATEMENT

Particulars (₹ Cr.)	Q2FY23	Q2FY22	H1FY23	H1FY22
Revenue from Operations	6,745	4,933	13,998	8,696
Other Income	756	702	799	767
EBITDA	1,712	1,504	3,076	2,309
<i>EBITDA Margin (%)</i>	<i>23%</i>	<i>27%</i>	<i>21%</i>	<i>24%</i>
Finance Cost	85	55	172	113
Depreciation	266	207	521	409
PBT	1,361	1,241	2,383	1,786
Tax Expense	309	294	522	393
Exceptional items	88	-	88	-
(Net Profit)/Loss from discontinued operations	-	(32)	-	(68)
PAT (After Exceptional Items)	964	979	1,773	1,461
PAT (Before Exceptional Items)	1,052	979	1,861	1,461

CONSOLIDATED INCOME STATEMENT

Particulars (₹ Cr.)	Q2FY23	Q2FY22	H1FY23	H1FY22
Revenue from Operations	27,486	22,567	55,527	42,487
Other Income	252	250	420	520
EBITDA	3,783	4,282	9,016	9,019
<i>EBITDA Margin (%)</i>	<i>14%</i>	<i>19%</i>	<i>16%</i>	<i>21%</i>
Finance Cost	313	312	642	721
Depreciation	1,116	1,017	2,205	2,007
Share in Profit of JVs, Associates & Others	90	111	143	248
PBT	2,444	3,065	6,313	6,538
Tax Expense	847	1,065	1,957	2,125
Exceptional items	88	-	88	-
(Net Profit)/Loss from discontinued operations	-	(32)	-	(68)
PAT attributable to Minority Shareholders	500	673	1,325	1,454
PAT (After Exceptional Items)	1,009	1,359	2,943	3,026
PAT (Before Exceptional Items)	1,097	1,359	3,031	3,026

BALANCE SHEET

Standalone (₹ Cr.)		EQUITY & LIABILITIES	Consolidated (₹ Cr.)	
30th Sep'22	31st March'22		30th Sep'22	31st March'22
(UnAudited)	(Audited)		(UnAudited)	(Audited)
48,455	48,616	Net Worth	76,510	75,698
-	-	Non Controlling Interest	41,314	40,476
-	-	Borrowings related to financial services	67,390	57,276
4,915	4,304	Other Borrowings	18,681	15,727
80	80	Lease Liability	1,628	1,558
1,803	1,841	Deferred Tax Liability (Net)	8,607	8,527
-	-	Policy Holders Liabilities	64,586	60,873
7,979	7,795	Other Liabilities & Provisions	28,527	29,259
63,232	62,636	SOURCES OF FUNDS	3,07,243	2,89,395
30th Sep'22	31st March'22	ASSETS	30th Sep'22	31st March'22
14,834	14,541	Net Fixed Assets	67,976	67,059
2,425	1,856	Capital WIP & Advances	11,580	9,200
450	314	Right of Use - Lease (including Leasehold Land)	2,044	1,879
3	3	Goodwill	20,126	20,059
		Investments:		
2,636	2,636	- UltraTech Cement (Subsidiary)	-	-
17,847	17,847	- AB Capital (Subsidiary)	-	-
568	457	- Solar Subsidiaries	-	-
-	-	- AMC (JV)	5,674	5,607
819	800	- Other equity accounted investees	2,181	1,444
5,145	4,857	- Liquid Investments	8,492	11,427
2,919	3,201	- Vodafone Idea	2,919	3,201
7,974	8,892	- Other Investments	12,441	11,635
-	-	- Investment of Insurance Business	37,197	33,292
-	-	Assets held to cover linked liabilities	30,261	30,160
-	-	Loans and advances of financing activities	76,475	66,199
-	-	Assets held for Sale	22	10
7,611	7,232	Other Assets, Loans & Advances	29,853	28,224
63,232	62,636	APPLICATION OF FUNDS	3,07,243	2,89,395
(230)	(553)	Net Debt / (Surplus)	10,188	4,300

Note: Other Borrowings includes suppliers' credit of ₹302.56 Cr. as on 30th September'22 and ₹183.40 Cr. as on 31st March'22.

VISCOSE BUSINESS SUMMARY

Particulars		Q2FY23	Q2FY22	% Change YoY	Q1FY23	% Change QoQ
Capacity						
VSF	KTPA	824	591	39	824	-
VFY	KTPA	48	48	-	48	-
Production						
VSF	KT	191	146	31	193	-1
VFY	KT	12	11	9	10	18
Sales Volume						
VSF	KT	170	154	10	197	-14
VFY	KT	12	12	-2	10	15
Revenue	₹ Cr.	3,903	3,005	30	4,300	-9
EBITDA	₹ Cr.	324	580	-44	500	-35
EBIT	₹ Cr.	179	472	-62	362	-50
Capital Employed (Incl. CWIP)	₹ Cr.	9,135	8,794	4	9,251	-1

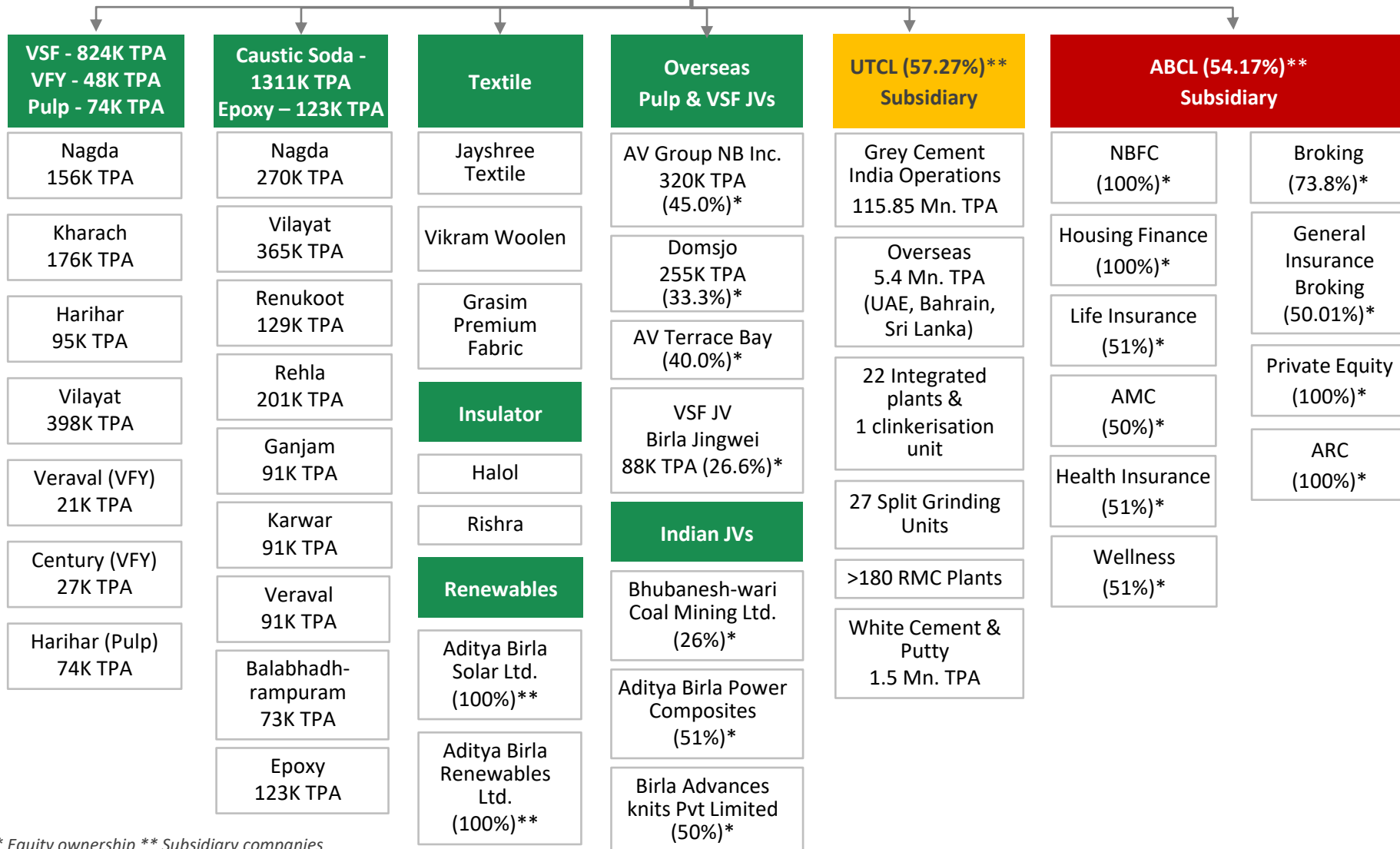
CHEMICAL BUSINESS SUMMARY

Particulars		Q2FY23	Q2FY22	% Change YoY	Q1FY23	% Change QoQ
Capacity*	KTPA	1,311	1,147	14	1,311	-
Production*	KT	287	249	15	286	0.2
Sales Volume*	KT	296	254	17	278	7
Revenue	₹ Cr.	2,708	1,627	67	2,733	-1
EBITDA	₹ Cr.	609	232	162	806	-25
EBIT	₹ Cr.	519	160	224	718	-28
Capital Employed (Incl. CWIP)	₹ Cr.	6,136	5,510	11	6,256	-2

* Volume data is for Caustic Soda only. Revenue and EBITDA are for all products in the chemical segment

GRASIM GROUP STRUCTURE

Grasim Industries Limited



* Equity ownership ** Subsidiary companies

FORWARD LOOKING AND CAUTIONARY STATEMENT

Certain statements in this report 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, feed stock 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 assume no responsibility to publicly amend, modify or revise any forward-looking statement, on the basis of any subsequent development, information or events, or otherwise.

Country and Year of Incorporation: **India, 1947**

Listing: **India (BSE/NSE), GDR (Luxembourg)**

Bloomberg Ticker: **GRASIM IB EQUITY, GRASIM IS EQUITY, GRAS LX (GDR)**

Business Description: **Viscose, Chemicals, Paints, Cement and Financial Services**

Market Cap (11th November 2022) : **₹1,12,481 Crore**

NOTES



GLOSSARY

Abbreviation	Particulars
AAUM	Average Asset Under Management
AMC	Asset Management Company
CMS	Chloromethane
DJSI	Dow Jones Sustainability Indices
ECU	Electro Chemical Unit
Epoxy	Name of Chemical
ESG	Environment, Social, and Governance
FY	Financial Year
HCL	Hydrochloric acid
KTPA	Thousand Ton per annum
MTPA	Million Ton per annum
NBFC	Non Banking Financial Company
PAT	Profit after tax
PMT	Per Metric Ton
R&D	Research & Development
ROAvCE	Return on Average Capital Employed
SSY	Spool Spun Yarn
TPD	Ton per day
VAP	Value Added Product
VFY	Viscose Filament Yarn
VSF	Viscose Staple Fibre



Thank you

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