



Ref No. GIL/CFD/SEC/24/236/SE

13th November 2023

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

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 Sir/Madam,

Sub: Presentation on Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30th September 2023

This is with reference to our letter dated 2nd November 2023 regarding intimation of schedule of Analysts / Institutional Investor Meeting to be held on 15th November 2023.

Please find enclosed the presentation on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and half year ended 30th September 2023, 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 record.

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.
Depositary Receipt
Services
390 Greenwich Street,
4th Floor, New York,
NY 10013

Citibank N.A.
Custodial Services
FIFC, 9th Floor, C-54 & 55,
G Block Bandra Kurla
Complex, Bandra (East),
Mumbai - 400098

ADITYA BIRLA



GRASIM

GRASIM INDUSTRIES LIMITED

Q2FY24 EARNINGS PRESENTATION

November 2023



PERFORMANCE HIGHLIGHTS Q2FY24

- 🎯 **Consolidated Revenue up 10% YoY to ₹30,221 Cr. and EBITDA up by 19% YoY to ₹4,509 Cr.**
 - Contributed by performance of key subsidiaries: UltraTech Cement and Aditya Birla Capital

- 🎯 **Standalone Revenue stood at ₹6,442 Cr. and EBITDA at ₹1,354 Cr.; down by 4% & 21% YoY respectively**
 - Pent up festive demand resulted in volume improvement in VSF business
 - Oversupply in domestic market of caustic soda and lower realisations in line with sharp decline in global prices impacted the overall standalone performance

- 🎯 **Viscose:** Festive demand and inventory replenishment in domestic value chain resulted volume growth
 - Export demand for the value chain remained weak from major overseas markets

- 🎯 **Chemicals:** Caustic soda sales volume increased by 3% YoY and 5% QoQ to 306KT
 - ECU realisations were down by 35% YoY in line with the global prices

- 🎯 **Textiles:** Elevated input prices impacted the performance in the Linen segment

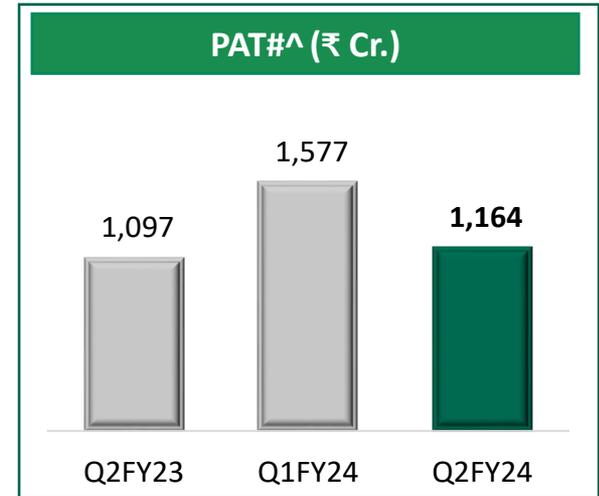
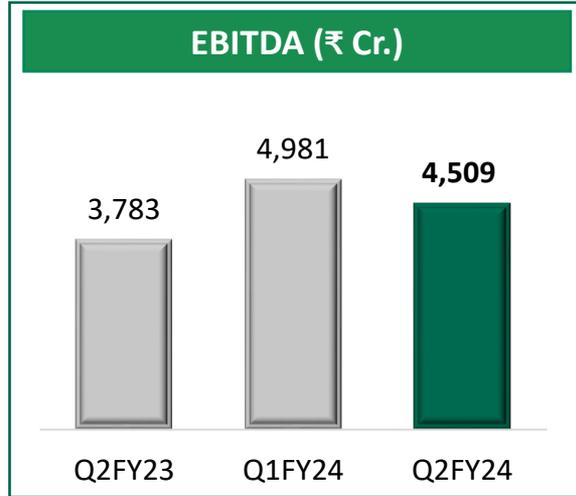
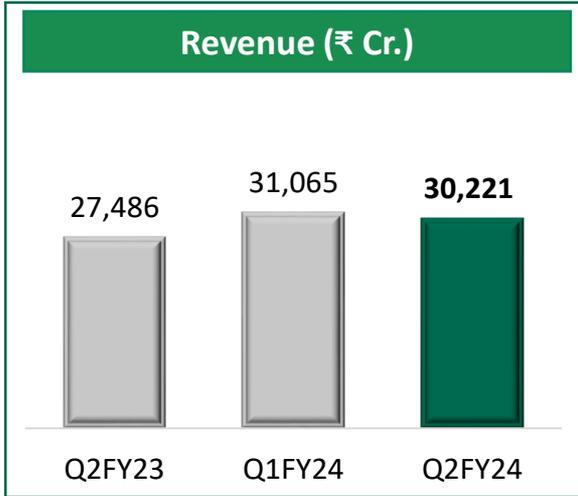
- 🎯 **Paints:** Brand “Birla Opus” launched
 - Consent To Operate received for Panipat, Ludhiana and Cheyyar plants

- 🎯 **B2B E-commerce:** Crossed milestone of ₹100 Cr. quarterly revenue and MRR* of ₹50 Cr. in Sep-23
 - Private label launched for tiles

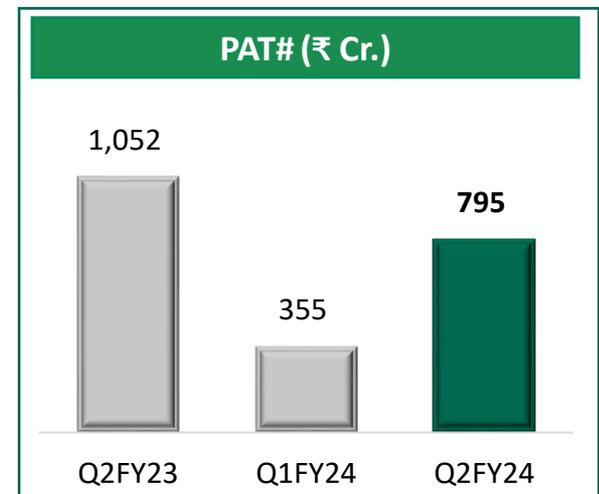
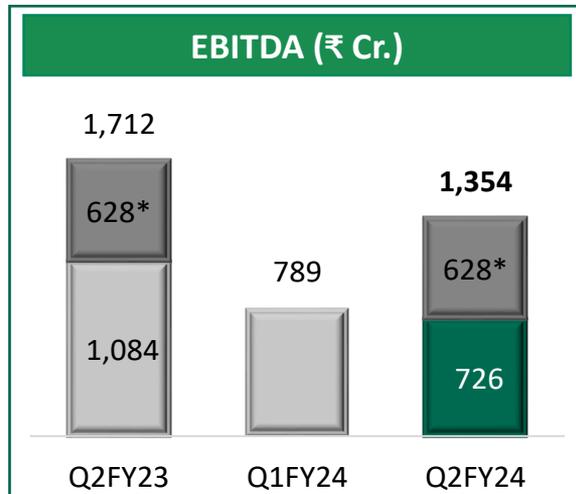
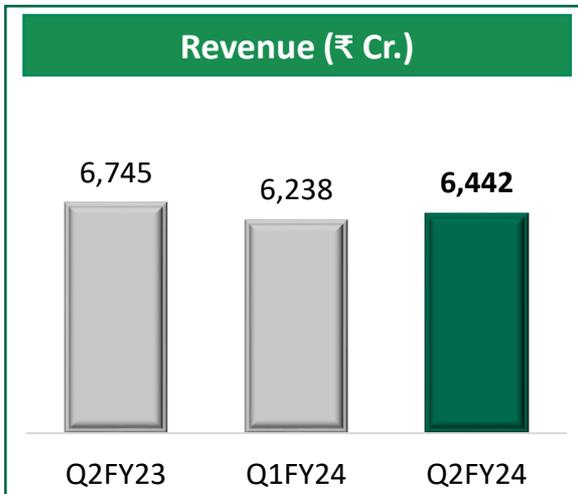
*Monthly Revenue Run-rate.

PERFORMANCE HIGHLIGHTS

CONSOLIDATED



STANDALONE



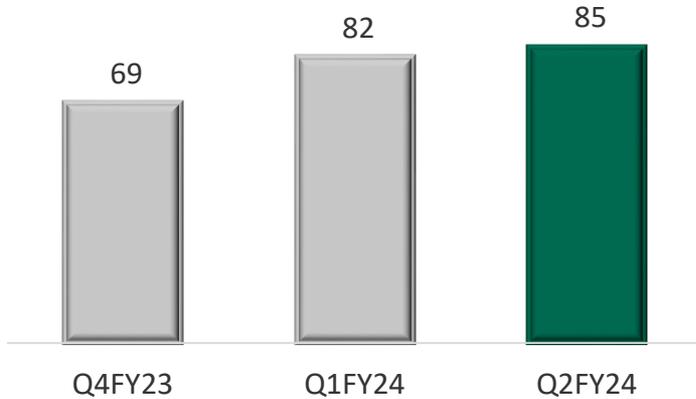
#PAT (Before Exceptional Item), ^Owner's share of PAT, *Dividend received from UltraTech Cement.

VISCOSE

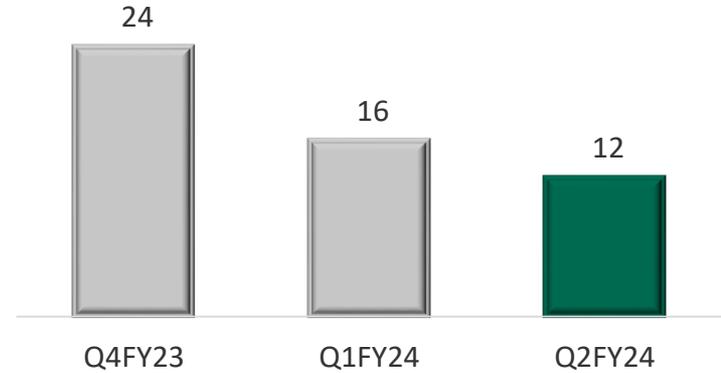


MACRO TRENDS - VISCOSE

China Operating Rate (%)



China Inventory (in Days)



Source: Company estimates, Industry data and CCF Group

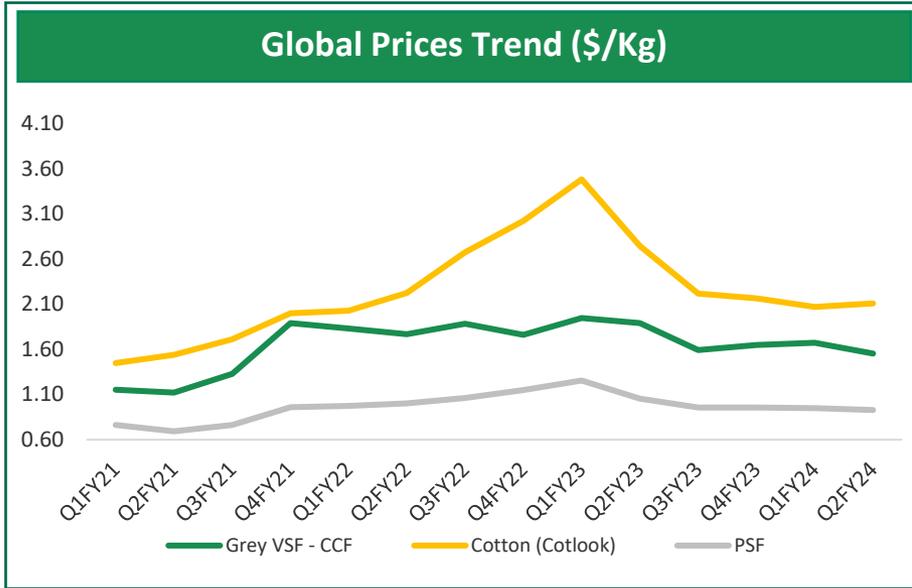
- 

China average operating rates stood at 85% in Q2FY24. The steady improvement in operating rate appears to be led by improvement in domestic demand in China. Global prices continue to remain under pressure due to sluggish demand conditions
- 

Inventory levels during the quarter has come down to 12 days led by the anticipation of demand improvement in China market
- 

Given the macro economic slowdown, demand from major textile overseas markets remain muted

MACRO TRENDS - VISCOSE



Price Movement	YoY (%)	QoQ (%)
International Grey VSF (CCF)	-18%	-7%
Cotton (Cotlook)	-23%	2%
International PSF (CCF)	-12%	-2%

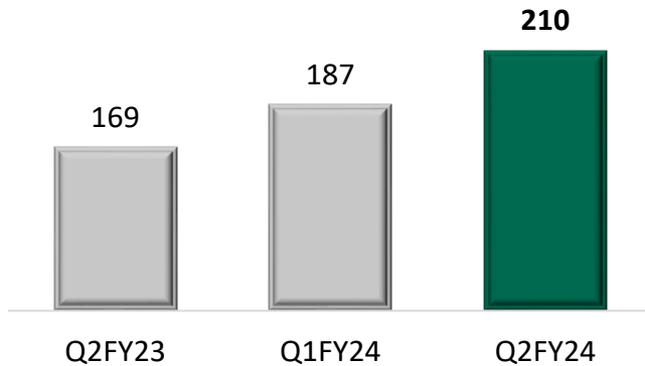
Source: Company estimates, Industry data and CCF Group

🎯 Average international VSF prices declined by 18% YoY and 7% QoQ to \$1.55/kg

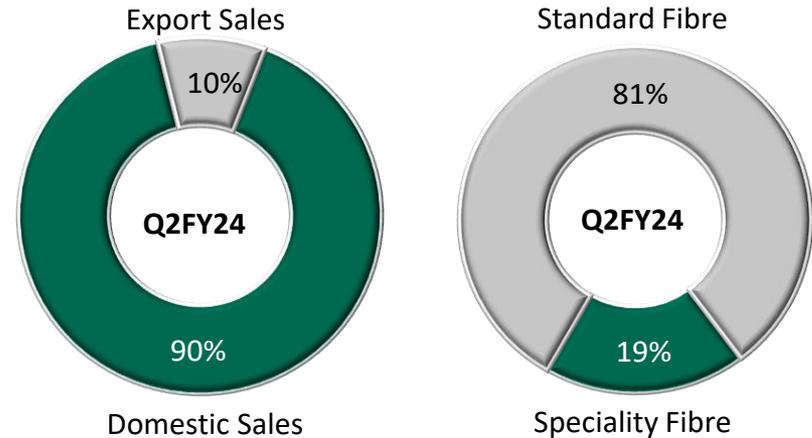
🎯 Domestic prices remained under pressure during the quarter due to softening of international VSF prices

KEY OPERATIONAL METRICS

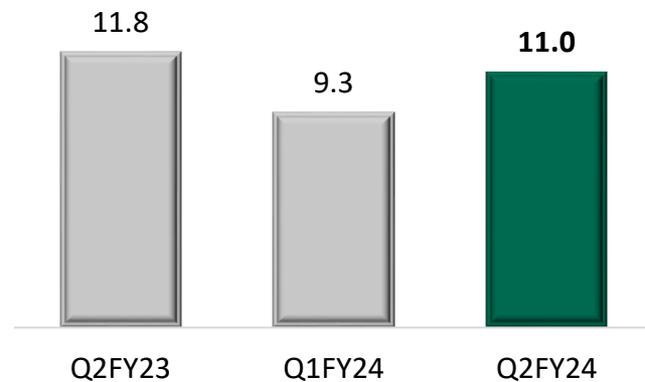
VSF Sales (KT)



Sales Volume Mix (VSF)



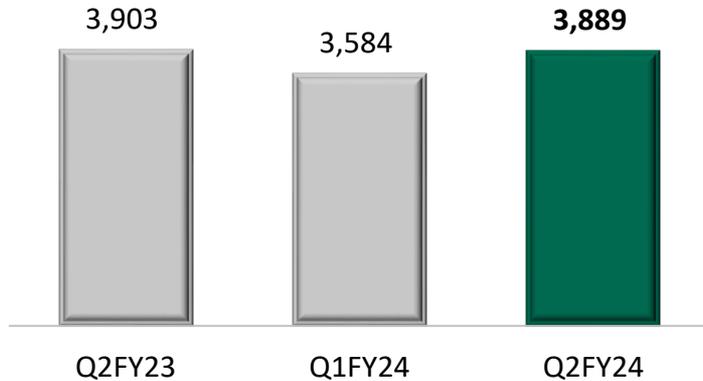
VFY Sales (KT)



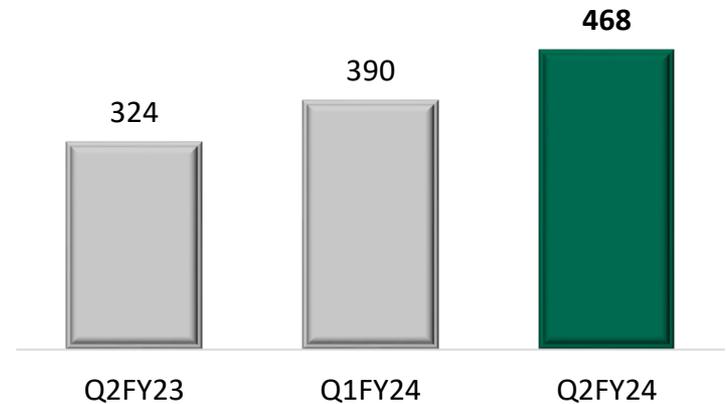
- VSF sales volume stood at 210 KT
- Domestic demand during the quarter improved led by festive season, export demand remained weak
- VFY performance impacted by higher imports from China at lower prices

OPERATING PERFORMANCE – VISCOSE

Revenue (₹ Cr.)



EBITDA (₹ Cr.)



🎯 VSF realisations declined 17% YoY due to weakness in global prices

🎯 Lower key input prices during the quarter helped in improvement of EBITDA

🎯 Margins for VFY impacted by aggressive pricing policy adopted by China for certain products affecting domestic market sentiments and necessitating price adjustments

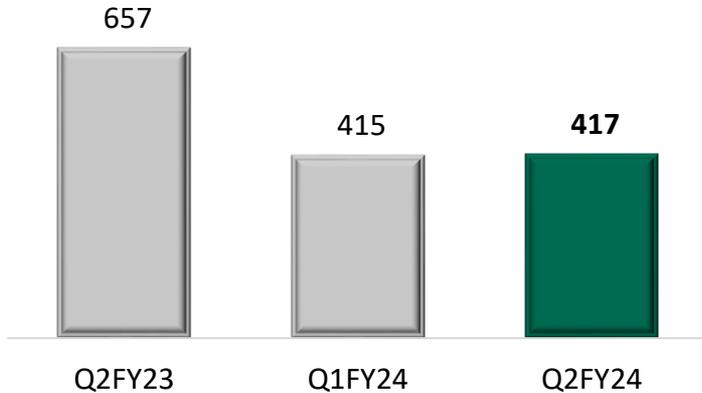
CHEMICALS



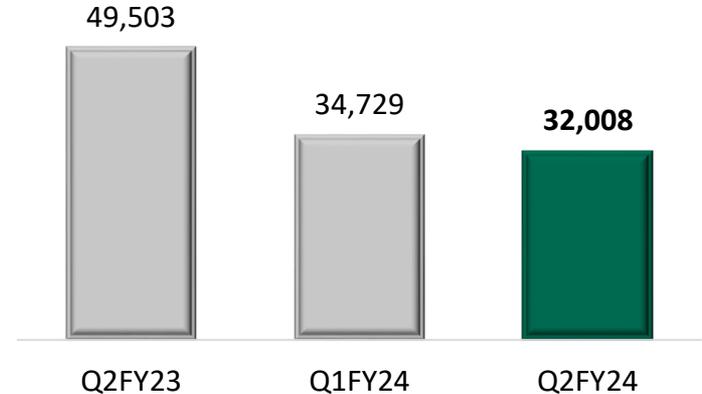
KEY OPERATIONAL METRICS - CHEMICALS

CFR SEA Caustic Soda Prices* (\$/Ton)

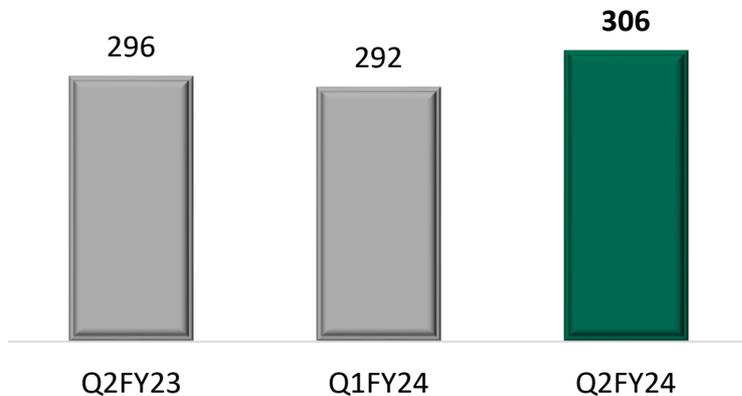
*Source: Company estimates, Industry data, IHS



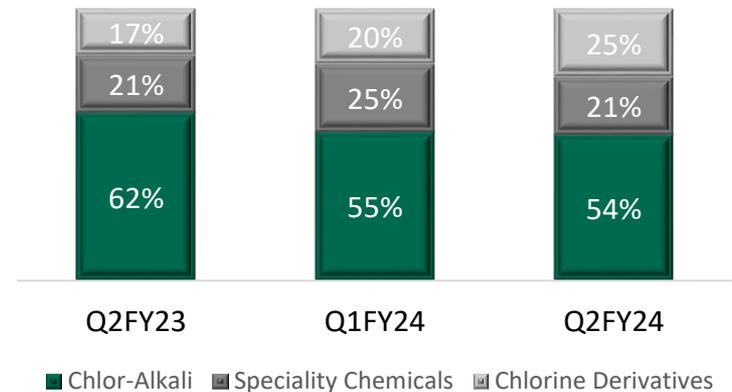
Grasim – ECU (₹/Ton)



Caustic Soda Sales (KT)

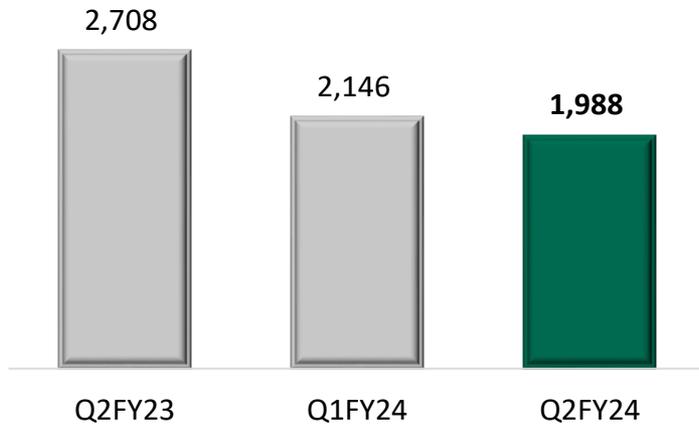


Break-up of Revenue of Chemicals Business (%)

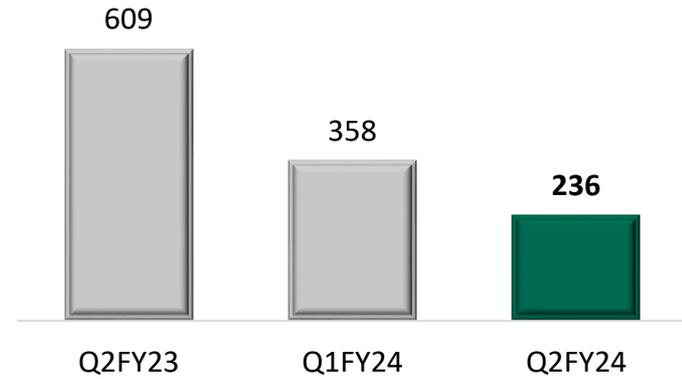


FINANCIAL PERFORMANCE – CHEMICALS

Revenue (₹ Cr.)



EBITDA (₹ Cr.)



- Caustic volumes grew by 3% YoY (+5% QoQ) though revenue declined on account of lower realisations in line with the global prices
- Continued over supply of chlorine coupled with slowdown in chlorine consuming industries has also impacted the ECU realisations
- EBITDA impacted by lower ECU realisation which stood at lowest levels since Q3FY22 impacted by oversupply in domestic Chlor-Alkali market

HIGH GROWTH BUSINESSES

(Paints & B2B E-commerce)



BIRLA OPUS: PROGRESS UPDATE

- Consent to Operate received for Panipat, Ludhiana and Cheyyar plants
 - Operations commencement estimated in Q4FY24
- “Allwood” Italian wood finishes range launched, and field validations are being conducted
- Painting services offering “PaintCraft” launched in 8 major Indian cities
- PAN India sales and distribution network is being established
- R&D laboratory and pilot plant developing differentiated products and experiences
- Capex spent during the quarter is ₹1,269 Cr.

- Private label “Birla Pivot Tiles” launched in tiles segment
- Experiencing repeat rate of direct buyers in certain segments
- Experiencing demand for Credit program offering Financing Solutions to MSMEs
- Exploring group synergies for captive customers
- Streamlining of sales team and fulfilment process with focus on local sourcing for faster turnaround

OTHER BUSINESSES

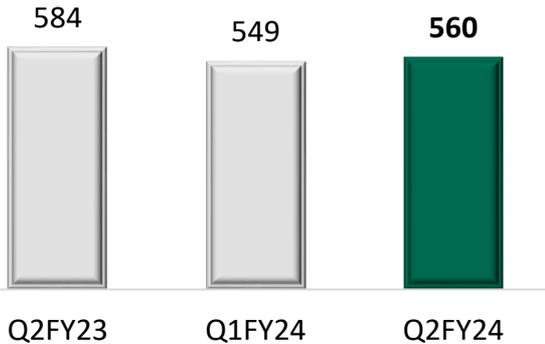
(Textiles and Insulators)



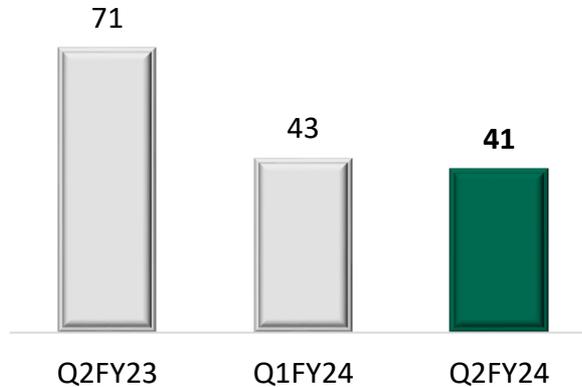
FINANCIAL PERFORMANCE – Textiles & Insulators

TEXTILES

Revenue (₹ Cr.)



EBITDA (₹ Cr.)

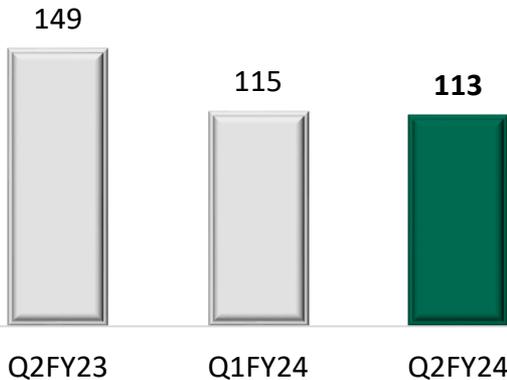


🎯 Festive demand in high-end textile products remained subdued

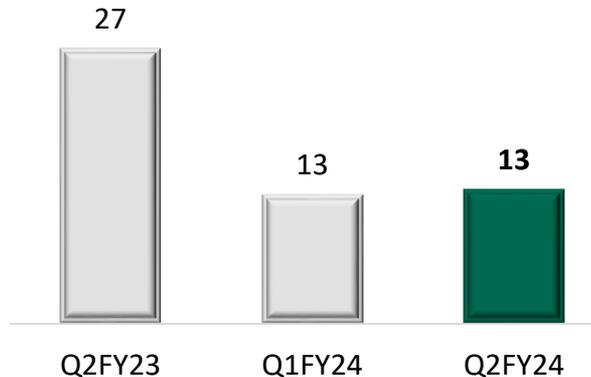
🎯 Higher flax fibre prices resulted decline in EBITDA

INSULATORS

Revenue (₹ Cr.)



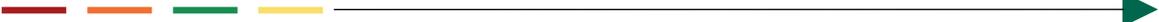
EBITDA (₹ Cr.)



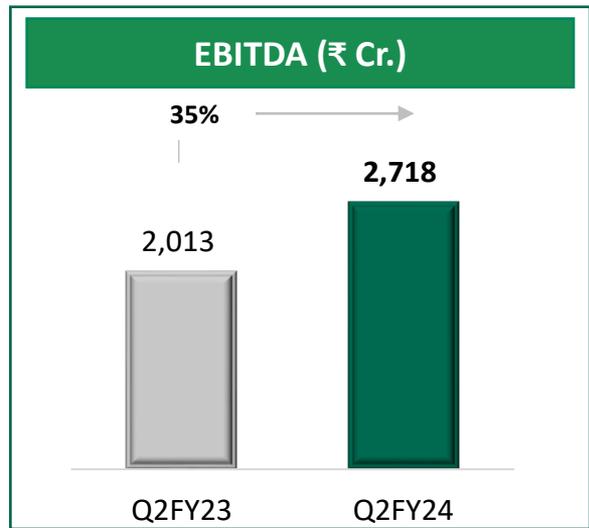
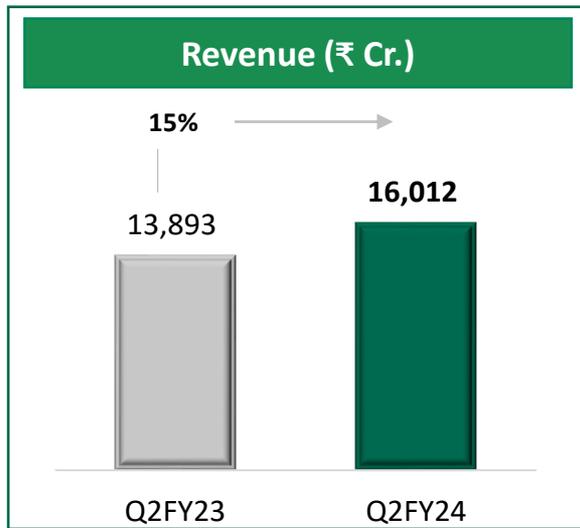
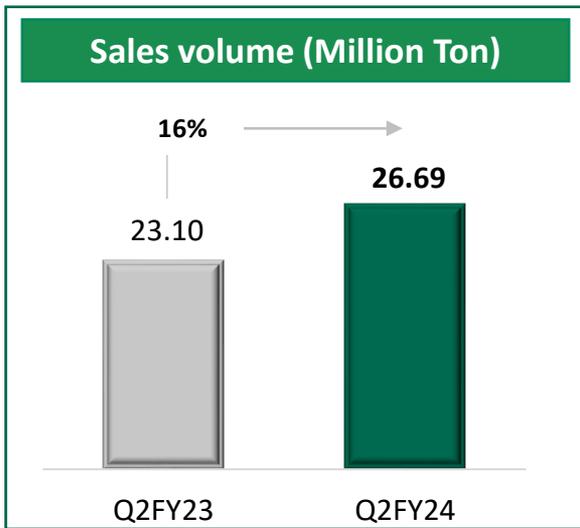
🎯 Government capex is crucial for demand pickup in the segment

🎯 Renewables and need for network upgradation key macro triggers for transmission demand

SUBSIDIARIES



FINANCIAL PERFORMANCE - UltraTech



Consolidated Net Sales increased by 15% to ₹16,012 Cr. over the corresponding period of the previous year. EBITDA was up by 35% to ₹2,718 Cr. compared to ₹2,013 Cr.

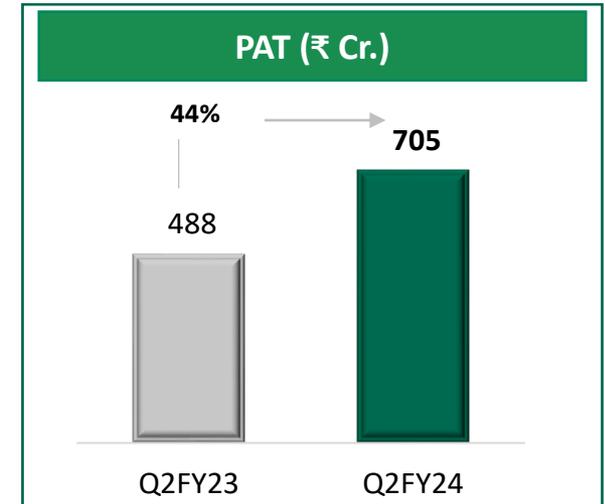
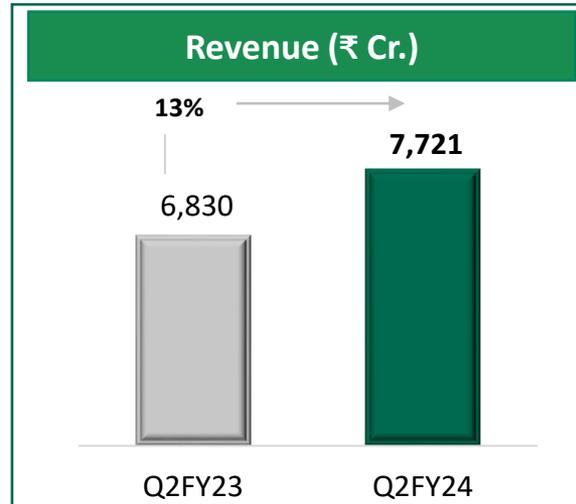
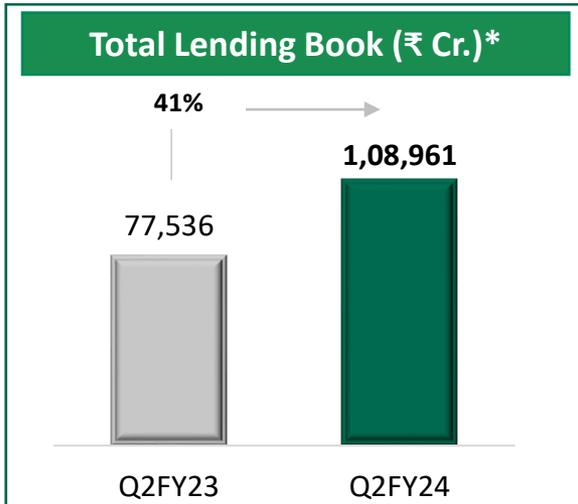
UltraTech achieved capacity utilisation of 75% during the quarter on expanded capacity. Energy cost was lower by 10% YoY, while raw material cost rose 4% on account of increase in cost of fly ash and slag

UltraTech's on-going expansion program is progressing as per schedule. 5.5 mtpa capacity has already been commissioned during this financial year following a 12.4 mtpa capacity addition during FY23

UltraTech also commissioned 30 MW of WHRS* capacity during the quarter

*Waste Heat Recovery System.

FINANCIAL PERFORMANCE - Aditya Birla Capital



Consolidated Revenue and PAT grew by 13% and 44% YoY to ₹7,721 Cr. and ₹705 Cr. respectively

The overall lending book (NBFC and HFC) increased to ₹1,08,961 Cr. in Q2FY24, up 41% YoY

- NBFC Net interest margin (NIM) expanded by 16 basis points YoY to 6.87%

- Net VNB margin expanded by ~195 basis points YoY to 14.2%
- Gross written premium of health insurance business grew by 24% YoY to ₹794 Cr. in Q2FY24

Mutual fund quarterly average assets under management (QAAUM) increased by 10% YoY and 5% sequentially to ₹3,10,899 Cr. with equity mix at 41.9%

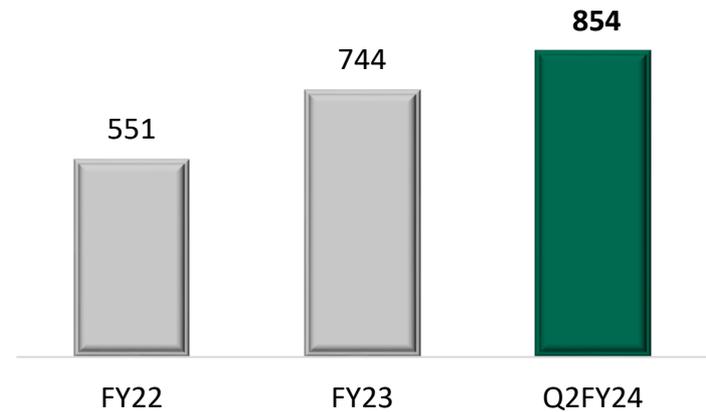
*Includes NBFC and Housing Finance.

FINANCIAL PERFORMANCE – Aditya Birla Renewables

Aditya Birla Renewables

Particulars		Q2FY23	Q1FY24	Q2FY24
Revenue	₹ Cr.	55	87	86
EBITDA	₹ Cr.	37	69	56
EBIT	₹ Cr.	21	45	26
Capital Employed (Incl. CWIP)	₹ Cr.	2,925	4,819	5,588

Renewable Power Capacity (MWp)



Consolidated revenue increased by 55% to ₹86 Cr. over the corresponding period of the previous year. EBITDA was up by 49% to ₹56 Cr. compared to ₹37 Cr.

Approximately 42% of the capacity is with group companies

APPENDIX



CONSOLIDATED INCOME STATEMENT

Particulars (₹ Cr.)	Q2FY24	Q2FY23	% Change	Q1FY24	% Change
Revenue from Operations	30,221	27,486	10	31,065	-3
Other Income	285	252	13	296	-4
EBITDA	4,509	3,783	19	4,981	-9
<i>EBITDA Margin (%)</i>	<i>15%</i>	<i>14%</i>		<i>16%</i>	
Finance Cost	398	313	27	361	10
Depreciation	1,245	1,116	12	1,183	5
Share in Profit of JVs, Associates & Others	(4.7)	90	-	0.27	-
PBT	2,862	2,444	17	3,438	-17
Add/(Less): Tax Expense	(838)	(847)	-1	(862)	-3
Add/(Less): Exceptional items	-	(88)	-	-	-
PAT attributable to Minority Shareholders	860	500	72	1,000	-14
PAT	1,164	1,009	15	1,577	-26
PAT (Before Exceptional Items)	1,164	1,097	6	1,577	-26

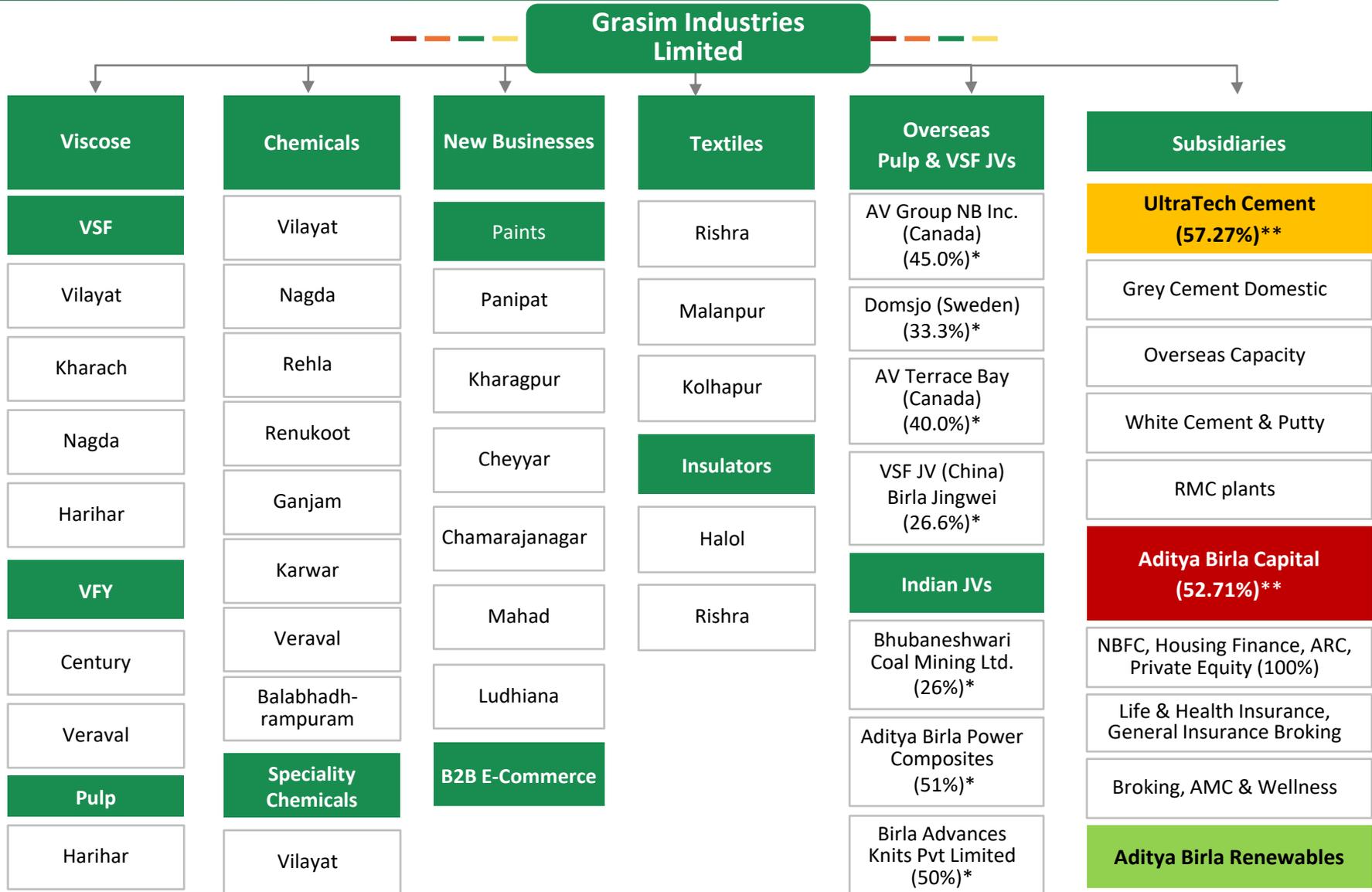
STANDALONE INCOME STATEMENT

Particulars (₹ Cr.)	Q2FY24	Q2FY23	% Change	Q1FY24	% Change
Revenue from Operations	6,442	6,745	-4	6,238	3
Other Income	760	756	1	116	556
EBITDA	1,354	1,712	-21	789	72
<i>EBITDA Margin (%)</i>	<i>19%</i>	<i>23%</i>		<i>12%</i>	
Finance Cost	107	85	26	106	1
Depreciation	292	266	10	288	1
PBT	955	1,361	-30	396	141
Add/(Less): Tax Expense	(160)	(309)	-48	(41)	296
PAT	795	964	-18	355	124
PAT (Before Exceptional Items)	795	1,052	-24	355	124

BALANCE SHEET

Standalone (₹ Cr.)		EQUITY & LIABILITIES	Consolidated (₹ Cr.)	
30th Sep'23 (Unaudited)	31st Mar'23 (Audited)		30th Sep'23 (Unaudited)	31st Mar'23 (Audited)
49,798	46,955	Net Worth	83,170	78,742
-	-	Non Controlling Interest	47,722	44,171
-	-	Borrowings related to Financial Services	97,636	83,449
8,078	5,254	Other Borrowings	22,432	17,899
139	97	Lease Liability	1,860	1,691
1,945	1,535	Deferred Tax Liability (Net)	8,885	8,443
-	-	Policy Holders Liabilities	75,660	69,090
8,700	8,336	Other Liabilities & Provisions	34,203	33,720
68,660	62,177	SOURCES OF FUNDS	3,71,569	3,37,205
30th Sep'23	31st Mar'23	ASSETS	30th Sep'23	31st Mar'23
15,359	15,453	Net Fixed Assets	74,087	72,360
6,223	3,684	Capital WIP & Advances	16,555	11,220
792	764	Right of Use - Lease (including Leasehold Land)	2,547	2,399
3	3	Goodwill	20,148	20,138
		Investments:		
2,636	2,636	- UltraTech Cement (Subsidiary)	-	-
18,847	17,847	- AB Capital (Subsidiary)	-	-
873	873	- Solar Subsidiaries	-	-
-	-	- ABSLAMC, ABHI and ABW	8,827	8,788
829	829	- Other equity accounted investees	2,080	2,229
3,622	3,474	- Liquid Investments	9,027	10,922
3,865	1,924	- Vodafone Idea	3,865	1,924
7,560	6,810	- Other Investments	13,435	13,355
-	-	- Investment of Insurance Business	44,926	40,424
-	-	Assets held to cover Linked Liabilities	33,091	30,506
-	-	Loans and Advances of Financing Activities	1,08,275	93,433
-	-	Assets held for Sale	11	18
8,053	7,881	Other Assets, Loans & Advances	34,697	29,490
68,660	62,177	APPLICATION OF FUNDS	3,71,569	3,37,205
4,456	1,780	Net Debt / (Surplus)	13,405	6,978

GRASIM GROUP STRUCTURE



* Equity ownership ** Subsidiary companies



FORWARD LOOKING AND CAUTIONARY STATEMENT

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