



Date: August 12, 2016

**BSE Limited**  
**Department of Corporate Services**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building, P J Towers, Dalal Street,  
Fort, Mumbai - 400 001  
Fax: 022-22723121/ 3719/ 2037/ 2039

**The Secretary**  
**National Stock Exchange of India Ltd.**  
Exchange Plaza  
Bandra-Kurla Complex, Bandra ( East)  
Mumbai - 400 051  
Fax: 022-26598237/8238

Dear Sir / Madam,

**Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations")**

**Ref: Composite Scheme of Arrangement between Grasim Industries Limited ("Company") and Aditya Birla Nuvo Limited ("ABNL") and Aditya Birla Financial Services Limited ("ABFSL") and their respective shareholders and creditors u/s 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 ("Scheme")**

**Scrip Code: BSE – 500300/ Symbol: NSE – GRASIM**

This is further to our letter dated 11<sup>th</sup> August 2016, whereby we have informed you that the Board of Directors of the Company at its meeting held on 11<sup>th</sup> August, 2016, after considering the report of the Audit Committee of the Company, has considered and approved the Scheme.

Pursuant to the Scheme, ABNL shall amalgamate with the Company ("**Amalgamation**") and post such Amalgamation, the financial services business of the Company shall be demerged into ABFSL ("**Demerger**").

The Board of Directors of ABNL and ABFSL, in their respective meetings held on 11<sup>th</sup> August, 2016, have also approved the Scheme. The Scheme shall be subject to the approval of the shareholders (of all the concerned companies), creditors, stock exchanges, High Court(s), regulators and other authorities, as may be required under applicable law.

In terms of the Listing Regulations, read with Securities and Exchange Board of India Circular No. CIR/CFD/CMD/4/2015 dated 9 September 2015, the required details are mentioned below:



(Contd. ... 2..)

Grasim Industries Limited  
Aditya Birla Centre, 'A' Wing, 2<sup>nd</sup> Floor  
S.K. Ahire Marg, Worli, Mumbai 400 030. India

Telephone +91 22 66525000, 24995000  
Fax +91 22 66525114, 24995114

CIN L17124MP1947PLC000410  
E-mail grasimcfd@adityabirla.com  
Website www.grasim.com

**1. Brief details of the companies involved in the Scheme:**

Name of Company	Area of Business
<b>Transferee Company/ Demerged Company</b>	
Grasim Industries Limited	Has business interests including manufacturing of viscose staple fibre, textiles, chemicals and cement.
<b>Transferor Company</b>	
Aditya Birla Nuvo Limited	Has business interests including, manufacturing of fertilizers, viscose filament yarn, chemicals, insulators, textiles, financial services and telecom.
<b>Resulting Company</b>	
Aditya Birla Financial Services Limited	Has business interests including that of non-banking financial institution, housing finance, asset management, brokerage, wealth advisory and health insurance.

**2. Brief details of the division to be demerged**

Post Amalgamation, the financial services business of the Company shall be demerged into ABFSL. The division to be demerged comprises of the financial services business engaged in the activity of fund based lending, making, holding and nurturing investments in financial services sector together with all its undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated in relation to and pertaining to the financial services business (“Demerged Undertaking”).

**3. Size and Turnover (Standalone):**

(Amount in crores)

	Size		Turnover
	As on 31 <sup>st</sup> March 2016		As on 31 <sup>st</sup> March 2016
	Total Assets	Net Worth	
<b>Transferee Company/ Demerged Company</b>			
Grasim Industries Limited	16,982.58	12,370.51	8,979.60
<b>Transferor Company</b>			
Aditya Birla Nuvo Limited	13,718.22	8,559.22	5,466.45
<b>Resulting Company</b>			
Aditya Birla Financial Services Limited	3,146.32	3,129.71	7.28

As on March 31, 2016, the turnover of the Resulting Company, as a percentage to the total turnover of the Company, is 0.01%.

**4. Related Party Transaction / Transaction at Arm’s Length:**

The Company, ABNL and ABFSL (the parties to the Scheme) belong to Aditya Birla conglomerate and the transaction is being done at arm’s length.



## 5. Rationale for the Scheme:

- (a) The Amalgamation will create one of India's largest and well diversified companies;
- (b) The Amalgamation will create a portfolio of manufacturing and services businesses;
- (c) The Amalgamation will achieve consolidation of common businesses;
- (d) The Amalgamation will be followed by a demerger of the Demerged Undertaking and listing of ABFSL, providing value unlocking for shareholders.

## 6. Share Exchange ratio and discharge of consideration:

### \*For Amalgamation:

3 (Three) equity shares of INR 10 (Indian Rupees Ten) each of the Company credited as fully paid up for every 10 (Ten) equity shares of INR 10 (Indian Rupees Ten) each held in Aditya Birla Nuvo Limited

### \*For Demerger:

7 (Seven) equity shares of INR 10 (Indian Rupees Ten) each of Aditya Birla Financial Services Limited credited as fully paid up for every 1 (One) equity share of INR 10 (Indian Rupees Ten) each held in the Company

*\*The Board of Directors of Grasim in its meeting held on 11<sup>th</sup> August 2016 has also recommended sub division of its equity shares of ₹ 10 each into 5 equity shares of ₹2 each. The exchange ratio as stated above would be adjusted accordingly to take into account the effect of such sub division.*

## 7. Brief Details of Change in Shareholding Pattern:

- Amalgamation  
**Aditya Birla Nuvo Limited**

Particulars	Pre-Amalgamation	
	No. of Shares	Shareholding %
Promoter & Promoter Group (A)	7,60,53,327	58.40
Institutional	3,33,76,782	25.63
Bodies Corporate (Non-institutional)	40,60,646	3.12
Other Public Shareholders	1,67,33,391	12.85
Total Non-Promoters' Holding (B)	5,41,70,819	41.60
Total (A+B)	13,02,24,146	100.00

*\* The shareholding pattern is on the basis of the Benpos received as on 31 July 2016*



There shall be no post-Amalgamation share capital of Aditya Birla Nuvo Limited as it shall be dissolved, without being wound up.

#### Grasim Industries Limited

Particulars	Pre-Amalgamation		Post-Amalgamation	
	Category	No. of Shares	Shareholding %	No. of Shares
Promoters				
Promoter & Promoter Group (A)	291,98,920	31.28	5,10,11,173	38.82
Non Promoters				
Institutional	365,04,288	39.11	4,65,17,323	35.40
Bodies Corporate (Non-institutional)	188,86,729	20.23	2,01,04,923	15.30
Other Public Shareholders	87,58,265	9.38	1,37,78,282	10.48
Total Non-Promoters' Holding (B)	641,49,282	68.72	8,04,00,528	61.18
Total (A+B)	933,48,202**	100.00	13,14,11,701	100.00

\* The shareholding pattern is on the basis of the Benpos as on 31 July 2016

\*\*Includes equity shares representing GDRs

- Demerger

#### Grasim Industries Limited

Particulars	Pre-Demerger (Post-Amalgamation)	
	Category	No. of Shares
Promoter & Promoter Group (A)	5,10,11,173	38.82
Institutional	4,65,17,323	35.40
Bodies Corporate (Non-institutional)	2,01,04,923	15.30
Other Public Shareholders	1,37,78,282	10.48
Total Non-Promoters' Holding (B)	8,04,00,528	61.18
**Total (A+B)	13,14,11,701	100.00

\* The shareholding pattern is on the basis of the Benpos as on 31 July 2016

\*\*Includes equity shares representing GDRs

There shall be no change in the share capital of Grasim Industries Limited pursuant to the demerger.



## Aditya Birla Financial Services Limited

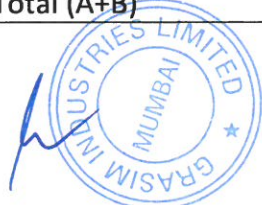
### - Equity Shares

Particulars	Pre-Demerger		Post-Demerger	
	Category	No. of Shares	Shareholding %	No. of Shares
Promoters				
Promoter & Promoter Group (A)	81,60,10,000*	100.00	158,93,18,213	73.85
Non Promoters				
Institutional	-	-	32,56,21,258	15.13
Bodies Corporate (Non-institutional)	-	-	14,07,34,460	6.54
Other Public Shareholders	-	-	9,64,47,976	4.48
Total Non-Promoters' Holding (B)	-	-	56,28,03,694	26.15
Total (A+B)	81,60,10,000*	100.00	215,21,21,907	100.00

\*Out of the above, 2,00,00,000 equity shares of Rs. 10 each is partly paid up (Paid up amount Rs. 3.25 per share).

### - Preference Shares

Particulars	Pre-Demerger		Post-Demerger	
	Category	No. of Shares	Shareholding %	No. of Shares
Promoters				
Promoter & Promoter Group (A)				
0.01% Non cumulative compulsorily convertible preference shares of ₹ 10 each fully paid up	33,65,00,000	100.00	NIL	NIL
6% Non convertible Non cumulative redeemable preference shares of ₹10 each fully paid up	147,11,10,000	100.00	NIL	NIL
Non Promoters				
Institutional	-	-	NIL	NIL
Bodies Corporate (Non-institutional)	-	-	NIL	NIL
Other Public Shareholders	-	-	NIL	NIL
Total Non-Promoters' Holding (B)	-	-	NIL	NIL
Total (A+B)	180,76,10,000	100.00	NIL	NIL



**8. Whether there is any cash consideration given under the Scheme:**

No cash consideration is being given under the Scheme.

**9. Whether listing would be sought for the Resulting Company:**

Yes.

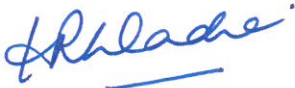
ABFSL (Resulting Company) would seek listing on BSE Limited and National Stock Exchange of India Limited, consequent upon effectiveness of the Scheme. Further, ABFSL would also seek listing of the Global Depository Receipts (GDRs) to be issued by it on the Luxembourg Stock Exchange, where GDRs of the Company are currently listed.

The above is for your information and record.

Thanking you

Yours faithfully

**For Grasim Industries Limited**



**Hutokshi Wadia**

**President & Company Secretary**

