



Ref. No. GIL/CFD/SEC/108/028/SE

13th September 2017

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor
Plot No. C/1, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Dear Sirs,

Sub: Apportionment of the Cost of Acquisition of equity shares

Dear Sir,

Attached is the communication being issued for general guidance of the shareholders of Grasim Industries Limited in relation to the method of calculation and apportionment of the cost of acquisition of the Company's shares between the equity shares of Grasim and Aditya Birla Capital Limited (previously known as Aditya Birla Financial Services Limited) as per the provisions of the Income Tax Act, 1961.

The same is for your information.

Thank you.

Yours faithfully,
For **Grasim Industries Limited**

Hutokshi Wadia
President & Company Secretary

CC: Luxembourg Stock Exchange
Market & Surveillance Dept.,
P.O. Box 165, L-2011 Luxembourg,
Grand Duchy of Luxembourg,
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Regd. Office : P.O. Birlagram, Nagda – 456 331 (M.P.)



FOR THE ATTENTION OF SHAREHOLDERS OF GRASIM INDUSTRIES LIMITED

The Hon'ble National Company Law Tribunal, Bench at Ahmedabad (NCLT) vide its Order dated 1st June 2017 (the Order) has approved the Composite Scheme of Arrangement between Aditya Birla Nuvo Limited (ABNL) and Grasim Industries Limited ("Grasim" or "the Company") and Aditya Birla Financial Services Limited (ABFSL) (now known as Aditya Birla Capital Limited (ABCL)) and their respective shareholders and creditors ("the Scheme").

In terms of Part III of the Scheme, with effect from 4th July 2017, the financial services business of the Company has been demerged and stands transferred and vested in ABCL, on a going concern basis.

On 14th August 2017, ABCL has allotted 7 (Seven) fully paid up equity share of ₹ 10/- (Rupees Ten) each of ABCL for every 5 (Five) fully paid up equity shares of ₹ 2/- (Rupees Two) each held by shareholder of the Company, whose name is recorded in the register of members and records of the depository as members of Grasim, on the Record Date-2, i.e. 20th July 2017.

This communication is being issued for general guidance of the shareholders of Grasim in relation to the method of calculation and apportionment of the cost of acquisition of Company's shares between the shares of the Grasim and ABCL as per the provisions of the Income Tax Act, 1961. The same is based on "net book value" of the assets of the demerged undertaking to the "net worth" of Grasim.

For the purpose of determining the post demerger cost of acquisition of the equity shares of Grasim and the cost of equity shares of ABCL under the Income Tax Act, 1961, the shareholders are advised to apportion their pre-demerger cost of acquisition of Grasim's equity shares in the following manner:

Name of the Company	% of Cost of Acquisition of Grasim's Equity Shares
Grasim Industries Limited	94.66
Aditya Birla Capital Limited	5.34
Total	100.00%

Accordingly, the cost of acquisition of equity shares allotted in ABCL will be 5.34% of the total cost of acquisition of the equity shares held in Grasim prior to the demerger. Hence 5.34% of the actual cost of 1 (one) equity share of Grasim would be the acquisition cost for 1.4 equity shares of ABCL.

The Company has been advised that as per Section 47(vi)(d) of the Income tax Act, 1961 the issue of shares by ABCL pursuant to the Scheme, to the equity shareholders of the Company in consideration of demerger of the financial services business of the Company in terms of Part III of the Scheme will not be regarded as transfer. Accordingly, the date of acquisition of shares of Grasim will be deemed to be the date of acquisition for the equity shares of ABCL too.

This communication is merely for the general guidance of the shareholders, and should not be considered as a substitute for any independent opinion that the shareholders may obtain. The concerned regulatory, statutory or judicial authority, including any assessing officer / appropriate appellate authority, could take a different view. The Company takes no express or implied liability in relation to this guidance.

Mumbai, 13th September 2017



Grasim Industries Limited

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