



TO WOMSOEVER IT MAY CONCERN


The Board of Directors of the Company at its meeting held on 11th August, 2016, approved a Composite Scheme of Arrangement between the Company, its wholly owned subsidiary Aditya Birla Financial Services Limited (ABFSL), Grasim Industries Limited (Grasim) and their respective shareholders and creditors under Sections 391-394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ('Scheme'). The Scheme provides for merger of the Company with Grasim and post said merger, demerger of the financial services business from amalgamated Grasim into ABFSL and consequent listing of the equity shares of ABFSL.

The Scheme will be subject to requisite approvals inter-alia from the shareholders, the creditors, the respective Hon'ble High Courts and the regulatory authorities. Based on the unaudited Financial Statements for the quarter ended 30th June 2016 and information and documents produced before us and explanation furnished to us by the Company, this is to certify that the Net Worth of the Company as on 30th June 2016 is as under:

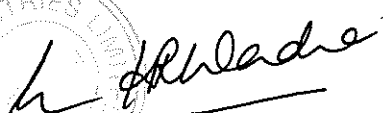
Net Worth of Aditya Birla Nuvo Limited as on 30th June 2016

Particulars	(Rs. in Crores)	
	Amount	Amount
Share Capital (Paid-up)- (I)		130.22
Add: Reserves & Surplus		
Free Reserves as per Section 2(43) of the Companies Act, 2013		
General Reserve	3,862.53	
Securities Premium	3,996.25	
Surplus as per statement of Profit and loss	1,619.16	
Total Free Reserves-(A)		9,477.94
Others		
Share Option Outstanding Account	13.97	
Capital Reserve	42.87	
Capital Redemption Reserve	8.56	
Debenture Redemption Reserve	88.33	
Others-(B)		1 53.73
Total Reserves & Surplus (A+B)-(II)		9,631.67
Net Worth- (I+II)		9,761.89

For NGST & Associates
Chartered Accountants
Firm Registration No- 135159W


Bhupendra Gandhi
Partner
Membership No. 122296
Place: Mumbai
Date: 11.08.2016





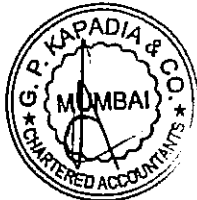
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The Board of Directors of Grasim Industries Limited (hereinafter referred as 'the Company') at its meeting held on 11th August, 2016 approved a composite Scheme of Arrangement for the proposed merger of Aditya Birla Nuvo Limited ('ABNL'), with Company and subsequent demerger of Financial Services Division into Aditya Birla Financial Services Limited ('ABFSL').

Based on the unaudited Financial Statements for the period ended 30th June 2016, (limited reviewed by auditors) and information and documents produced before us and explanation furnished to us by the Company, this is to certify that the Net Worth of the Company as on 30th June, 2016 and Net Worth of the Company after merger of ABNL and and subsequent demerger of Financial Services Division would be as under:

(I) Net Worth of Grasim Industries Limited as on 30th June' 16 (Pre- Merger)

		Rs. Crores
(i) Share Capital (Paid-up)		93.36
Add:		
Reserves & Surplus		
Free Reserves as per Section 2(43) of the Companies Act, 2013		
- General Reserve	9,889.08	
- Securities Premium	45.30	
- Surplus as per statement of Profit and Loss	2,896.54	
Total Free Reserves- (A)		12,830.92
Others		
- Capital Reserve	17.00	
- Employee Stock Option Outstanding (net of Deferred Employee Compensation Expenses)	19.34	
Others- (B)		36.34
(ii) Total Reserves & Surplus (A+B)		12,867.26
Net Worth- (i)+(ii)		12,960.62



(II) Provisional Net Worth of Grasim Industries Limited as on 30th June' 16 (Post Scheme of Arrangement)

		Rs. Crores
(I) Share Capital (Paid-up)		131.42
Add:		
Reserves & Surplus		
Free Reserves as per Section 2(43) of the Companies Act, 2013		
- General Reserve	12,439.77	
- Securities Premium	4,011.63	
- Surplus as per statement of Profit and Loss	4,515.70	
Total Free Reserves- (A)		20,967.10
Others		
- Capital Reserve	59.87	
- Capital Redemption Reserve	8.56	
- Employee Stock Option Outstanding (net of Deferred Employee Compensation Expenses)	33.31	
- Debenture Redemption Reserve	88.33	
Others- (B)		190.07
(II) Total Reserves & Surplus (A+B)		21,157.17
Net Worth- (I+II)		21,288.60

Note:

1. Post Scheme of Arrangement Net worth as above has been arrived at on the basis of balances in the books of respective entities as on 30th June, 2016 and will undergo change on the effective date of implementation of the scheme on account of profit/(loss) during the intervening period (from 1st July 2016 to the effective date) and accounting of the Scheme as per IND AS 103- Business Combination.
2. For the purpose of Calculation of Net worth, Capital Reserve arising on amalgamation and Other Comprehensive Income (arising out of Fair valuation of assets) has not been considered as per the definition of "Net worth" under The Companies Act, 2013.

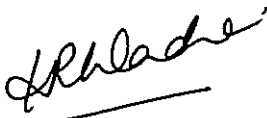
For G.P. Kapadia & Co.
Chartered Accountants
FRN: 104768W


Atul B. Desai

Partner

Membership No. 030850




G.P. Kapadia

Date: 16th Aug, 2016

Place: Mumbai

S.R. BATLIBOI & Co. LLP
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 1000

Certificate

The Board of Directors,
Aditya Birla Financial Services Limited

Dear Sirs,

1. We, S.R. Batliboi & Co. LLP, Chartered Accountants, are the statutory auditors of Aditya Birla Financial Services Limited ('ABFSL' or 'the Company') and have performed a limited review for the three months ended June 30, 2016 ('Period') in respect of which we have issued our review report dated August 3, 2016. We have been requested by the Company to certify statement of pre and post computation of net worth of the Company ('the Statement') as at June 30, 2016, after considering the proposed scheme of arrangement ('Scheme') between Aditya Birla Nuvo Limited ('ABNL'), Grasim Industries Limited ('Grasim') and ABFSL dated August 11, 2016. The Statement annexed herewith has been prepared by the management and signed by us for identification purposes.
2. We performed the following procedures in respect of the accompanying statement.
 - a. We have been given a certified copy of the Scheme, proposed to be filed by the Company with the Honorable High Court of Gujarat and Honorable High Court of Madhya Pradesh and we have read the same and noted the impact of accounting treatment mentioned in Clause 20 of Part III of the Scheme and we have not performed any further procedures in this regard.
 - b. In the attached Statement, pre arrangement net-worth of ABFSL as at June 30, 2016 has been traced from unaudited books of accounts of the Company for the Period and post arrangement net-worth has been computed after considering the proposed accounting impact mentioned in Clause 20 of Part III of the Scheme. We have traced the share swap ratio for ABFSL from the reports provided by the valuer and the number of equity shares and preference shares to the unaudited financial information of the Company for the Period. The attached Statement is duly certified by the management and we have verified the arithmetical accuracy of the same.
3. We have performed the above-mentioned procedures, in accordance with the Guidance note on Audit Reports and Certificates for the Special Purposes issued by Institute of Chartered Accountants of India. The above-mentioned procedures include examining evidence supporting the particulars in the statement on a test check basis. We have not performed an audit, the objective of which would be expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
4. Based on our procedure performed as stated in para 2 above and to the best of our information and according to explanation given to us, we confirm that the provisional net worth of the Company after giving effect to the accounting requirements set out in Clause 20 of Part III of the proposed Scheme and as per the attached pro-forma computation of the Company as at June 30, 2016 would be Rs.5,524.19 crores.
5. This Certificate is intended solely for the use of management of the Company for the purpose of submission to the Bombay Stock Limited and National Stock Exchange Limited and is not to be used for any other purpose without our prior written consent.

FOR GRASIM INDUSTRIES LIMITED


HUTOKSHI WADIA
COMPANY SECRETARY





STATEMENT SHOWING NET WORTH PRE DEMERGER AND POST DEMERGER OF ADITYA BIRLA FINANCIAL SERVICES LIMITED

Particulars (As per IGAAP)	Amount in Rs.	
	As on 30 June, 2016	Post Demerger
Equity Share Capital		
Fully Paid up Shares	796,01,00,000	816,01,00,000
Partly Paid up Shares [2,00,00,000 equity shares of Rs. 10 each are partly paid up (Paid up amount is Rs. 3.25 per share)]	6,50,00,000	-
Rights Issue of Equity Shares	-	382,58,00,000
Conversion of Compulsorily Convertible Preference Shares	-	33,65,00,000
Issue of shares to the shareholders of amalgamated Grasim pursuant to the demerger		919,88,19,070
Preference Share Capital		
Compulsorily Convertible Preference Shares	336,50,00,000	-
Non Convertible Non Cumulative Redeemable Preference Shares	1471,11,00,000	-
Reserves and Surplus		
Securities Premium Account	769,50,00,000	3489,33,00,000
Profit & Loss A/c Balance	(117,25,73,822)	(117,25,73,822)
Net Worth	3262,36,26,178	5524,19,45,248

Note: The above does not include the impact of

- Issuance of additional shares to one or more financial investors not being promoter(s) or persons acting in concert with the promoters of the Parties, aggregating to not more than 5% of the fully diluted share capital of the Resulting Company, by way of preferential allotment at fair value to be determined by an independent valuer, in accordance with the provisions of Applicable Law as provided in clause (20.14) of the Scheme
- Capital reserve / dividend upon demerger of the financial services business into AIFSI
- Profit/(Loss) during the period upto demerger

For Aditya Birla Financial Services Limited

Sairesh Daga
Company Secretary

Date: August 11, 2016



Aditya Birla Financial Services Limited
Aditya Birla Centre, W Wing, 1st Floor,
S.K. Ashok Marg, Worli, Mumbai 400 030, India

Telephone: +91 22 66525000, 24995000
Fax: +91 22 66525821, 24995821
CIN: UG7120G12007PLC058690

Website: www.adityabirlanuvo.com
www.adityabirla.com
E-mail: nuvo.efd@adityabirla.com