

 Early Warning System

IFC-48992

Grasim SLL



## Quick Facts

|                         |  |
|-------------------------|--|
| Countries               | India  |
| Specific Location       | Ludhiana, Panipat, Cheyyar, Chamarajnagar, Mahad and Kharagpur |
| Financial Institutions  | International Finance Corporation (IFC)                        |
| Status                  | Approved   |
| Bank Risk Rating        | B  |
| Voting Date             | 2024-03-19   |
| Borrower                | GRASIM INDUSTRIES LTD  |
| Sectors                 | Industry and Trade   |
| Investment Type(s)      | Loan   |
| Investment Amount (USD) | \$ 150.75 million  |
| Project Cost (USD)      | \$ 1,200.00 million  |



---

## Project Description

According to the Bank's website, the proposed transaction entails an investment of up to INR 12.50 billion (approximately equivalent to US\$150 million) in the form of subscription to Non-convertible Debentures (NCDs) issued by Grasim Industries Limited. The proposed loan will be utilized to finance the Company's ongoing capital expenditure program for the paints business and working capital needs for the paints business of the Company.



---

## Early Warning System Project Analysis

This is a Category B project according to IFC's Policy on Environment and Social Sustainability (2012). Based on information reviewed by IFC, the proposed project will have limited adverse E&S impacts that are few, site specific, largely reversible, and readily addressed through existing mitigation measures and good international industry practices (GIIP).



---

## Investment Description

- International Finance Corporation (IFC)

Grasim is investing approximately US\$1.2 billion across 6 new paints manufacturing plants, which will be implemented in a phased manner till FY25. IFC's investment would be used to fund up to INR 12.50 billion (equivalent to approximately US\$150 million) and the balance would be funded through equity raise and internal accruals.

IFC's Investment as Approved by the Board: Loan 150.75 million (USD)



---

### Private Actors Description

Mr. Kumar Mangalam Birla and his family directly & indirectly hold ~43% shareholdings and are the sponsors of the Company. The balance shareholding is widely held by institutional investors and other public shareholders.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2       | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|-----------------------|----------------------|------------------------|
| -               | -                    | -                      | -        | Grasim Industries Ltd | Client               | -                      |



---

## Contact Information

Grasim Industries Limited

Rahul Desai

Joint President - Treasury

+91 22 24995731

rahuldesai@adityabirla.com

A Wing, 2nd Floor, S. K. Ahire Marg Worli, Mumbai - 400 030, Maharashtra, India

<https://www.grasim.com/>

## ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

## ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at [CAO@worldbankgroup.org](mailto:CAO@worldbankgroup.org) You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>





---

## Bank Documents

- [Environmental & Social Review Summary \(ESRS\)](#)