



Ref No. GIL/CFD/SEC/27/116/SE

25th October 2026

BSE Limited
Scrip Code: 500300

National Stock Exchange of India Limited
Symbol: GRASIM

Dear Sir/Madam,

Sub: Reply to clarification sought by the National Stock Exchange of India Limited ("NSE") and BSE limited ("BSE") on Market rumour verifications;

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

This is with reference to NSE letter bearing Ref. No. **NSE/CM/Surveillance/17745 dated 23rd October, 2026** and **BSE e-mail dated 23rd October, 2026** seeking clarification on the news item captioned "*Bombay HC Quashes Rs 329 Crore Tax Claim Against Grasim Over Vodafone Idea Rights Issue*" published on NDTV Profit.

In this regard, we wish to submit that the notice dated 30th June 2026 issued by the Income tax department (Department) u/s 148 of the Income Tax Act, 1961 proposing reassessment of assessed income of the Company by alleging that income/benefit of Rs. 329 Crores arised from the Company's participation in the rights issue of Vodafone Idea Limited during FY 2019-20, had escaped assessment.

The Company challenged the initiation of reassessment proceedings and validity of the aforesaid reassessment notice itself before the Hon'ble Bombay High Court by way of filing a writ petition. Upon consideration of the facts and legal submissions advanced on behalf of the Company, the Hon'ble Bombay High Court vide its order dated 22nd October 2026 has quashed the reassessment notice and the consequential reassessment proceedings initiated by the Department.

It is further clarified that the aforesaid notice merely proposed initiation of reassessment proceedings and did not constitute any determination of revised income or tax demand on the Company. Any tax demand, if at all, could have been determined only upon completion of the reassessment proceedings after due consideration of the factual and legal submissions of the Company in accordance with applicable law.

Further, in terms of Regulation 30 of SEBI (LODR) Regulations, 2015 read with the master circular issued by SEBI on 30th January 2026, "*tax litigations or disputes including demand notices, penalties, etc. shall be disclosed under sub-para 8 of Para B based on application of criteria for materiality...*"

Grasim Industries Limited

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Regd. Office : P.O. Birlagram, Nagda – 456 331 (M.P.)



We wish to clarify that the amount of Rs. 329 crore referred to in the aforesaid news article represents the income allegedly proposed by the Department to have escaped assessment and does not represent a tax claim or tax demand against the Company. Hence, to this extent, the contents of the news article referred is factually incorrect. The potential tax exposure of Rs. 114 crores, if computed on such alleged income of Rs. 329 crore (at maximum marginal rate of 34.944%), would in any event be below the materiality threshold of the Company, in terms of Regulation 30 of the SEBI (LODR) Regulations, 2015, for FY 2026-27, and hence was not attracting the requirement for disclosure under the said Regulation.

We assure that the Company consistently follows the highest standards of governance and disclosures and any material information requiring it to make disclosures under the applicable regulatory requirements will be promptly disseminated by the Company to the stock exchanges.

In view of the above facts, we confirm that there is no information that required disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015 to the stock exchanges, but had not been disclosed by the Company. Further, there is no financial or operational impact of the aforesaid matter on the Company, hence this new article does not have any material impact on the Company.

The above is for your information and records.

Thanking you,

Yours sincerely,

For Grasim Industries Limited

NEELABJA Digitally signed
by NEELABJA

CHAKRAB CHAKRABARTY

ARTY Date: 2026.10.25
12:41:34 +05'30'

Neelabja Chakrabarty

Company Secretary and Compliance Officer

ACS - 16075

Grasim Industries Limited

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