



Ref No.: GIL/CFD/SEC/26/082/SE

26th August 2025

BSE Limited
Scrip Code: 500300

National Stock Exchange of India Limited
Symbol: GRASIM

Dear Sirs/Madam,

**Sub: Chairman Speech at the 78th Annual General Meeting of Grasim Industries Limited
("the Company")**

Please find enclosed Chairman Speech delivered at the 78th Annual General Meeting of the Company held today at 11:30 a.m. (IST) through Video Conference ("VC") / Other Audio-Visual Means ("OAVM").

The above is for your information and record.

Thanking you,

Yours sincerely,
For Grasim Industries Limited

Hemant Kumar Kadel
Chief Financial Officer

Encl: as above

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GRASIM INDUSTRIES LIMITED

78TH ANNUAL GENERAL MEETING

CHAIRMAN'S SPEECH

TUESDAY, 26TH AUGUST 2025

11:30 A.M. (IST)

Through Video Conferencing

Dear fellow Shareholders

A very warm welcome to the 78th Annual General Meeting of Grasim Industries.

It is a moment of significance for all of us. Your Company has scaled a new pinnacle, reaching an all-time high market capitalisation of approximately Rs. 1,95,000 crore, now within striking distance of the Rs. 2,00,000 crore milestone. This milestone underscores the power of bold ambition, disciplined execution, purposeful innovation, and unyielding commitment.

FY25 was, in every sense, a landmark year. Our consolidated revenue surged to an all-time high of nearly Rs.1,50,000 crore, a testament to the scale, resilience, and momentum of the enterprise that we continue to build.

Grasim, established 10 days after India's independence, draws its origins from the spirit of nation-building. Over the past eight decades, as India transformed from a fledgling economy into a global powerhouse, Grasim has stood firm as a true Force for Growth, catalysing expansion across sectors vital to India's progress.

For example, UltraTech Cement has laid the physical foundations for highways, cities, and infrastructure across the country. Our fibre brands, Liva and Raysil, have redefined modern Indian fashion with innovation and elegance. In Chemicals, we power critical industries spanning metals, textiles, pharmaceuticals, and energy. Our investments in renewable energy signal a deep commitment to a more sustainable and future-ready India. And through Aditya Birla Capital, we are enabling millions of Indians to unlock opportunity, equipping them with the financial tools to aspire, to achieve, and to advance.

In keeping with its legacy of dynamism, Grasim has, over the past 18 months, ventured into two new high-potential areas, Birla Pivot, a next-generation B2B E-commerce platform in the building materials space, and Birla Opus, a bold entry into the paints industry. These new ventures, alongside UltraTech Cement, our flagship in the infrastructure space, significantly deepen our presence in the building materials ecosystem. Today, construction accounts for 8–9% of India's GDP. As the nation charts its course from a US\$5 trillion to a US\$10 trillion economy, Grasim's Building Materials segment is poised to play a pivotal role in shaping the physical and economic contours of this national transformation.

UltraTech Cement and Aditya Birla Capital are prime examples of transformation and of value creation. Their journeys represent Grasim's ability to create shareholder value by incubating, nurturing and scaling new businesses. This track record has made Grasim a true Force for Growth.

Before we reflect on your Company's performance, let me take a closer look at the broader macroeconomic environment in which we operate.

The global economy expanded by 3.3 percent in 2024, slightly below 3.5 percent in 2023, according to the IMF. The United States recorded 2.8 percent GDP growth, supported by consumption, public spending, investments, and exports. In contrast, growth in several Asian and European economies slowed. China's recovery remained subdued, with weak consumption and a struggling construction sector. Several structural and external factors continued to affect global output. These included as we know geopolitical tensions, trade conflicts, slower productivity, and high public debt levels. Despite these challenges, inflation declined from 6.6 percent in 2023 to 5.7 percent in 2024, helped by easing supply constraints and by tighter monetary policy.

Global growth is expected to moderate to 3.0 percent in 2025 and edge up to 3.1 percent in 2026. Advanced economies are expected to face slowing growth, from 1.8 percent in 2024 to 1.5 percent in 2025. While declining inflation and monetary easing offer some support, risks remain from geopolitical uncertainty, higher borrowing costs, and fiscal pressures.

Moving on to India.

In 2024-25, India recorded GDP growth of 6.5 percent, remaining the fastest-growing large economy in the world. The last quarter saw growth of 7.4 percent, led by construction and manufacturing sectors. This was driven by macroeconomic stability, government capital expenditure, and stronger private demand as well. Agriculture recovered, supported by good weather and water storage.

Headline inflation averaged 4.6 percent in 2024-25, down from 5.4 percent in the previous year. The decline reflected lower input costs, supply-side measures, and monetary tightening. In response to easing inflation, the Monetary Policy Committee has lowered the repo rate by 100 basis points in 2025, bringing it down to 5.50 percent.

The financial sector remained stable, with improved asset quality and strong credit growth. Bond yields for both government and corporate debt declined, reflecting easing domestic financial conditions.

India's GDP is expected to grow at 6.5 percent in 2025-26. Growth is likely to be supported by continued government investment, recovery in consumption, and prudent fiscal management. The manufacturing sector is expected to strengthen further due to domestic demand, better capacity utilisation, and policy support through the Production Linked Incentive (PLI) scheme and the National Manufacturing Mission.

The construction sector is also poised for robust performance, aided by the increased focus on infrastructure projects through Gati Shakti, higher allocation for affordable housing schemes, and Asset Monetisation Plans aimed to unlock the infrastructure funds.

Despite risks from global market volatility, geopolitical developments, and fragmented trade relations, India's strong fundamentals, resilient financial system, and policy focus on long-term stability, position us well to sustain growth. The country is expected to retain its position as the fastest-growing major economy in the world in FY 2025-26.

Moving on to your Company's performance.

We achieved our highest-ever consolidated revenue of Rs.1,48,478 crore. That is a stellar achievement. Standalone revenue also reached a record high of Rs.31,563 crore, a robust 22% year-on-year growth that reflects both the momentum of our new ventures and the enduring strength of our core businesses. During the year, our total consolidated capital expenditure stood at approximately Rs.17,000 crore, with nearly Rs.13,000 crore directed towards growth incentives.

Let me now turn to the performance of our key business segments, beginning with Paints, a space where we are rewriting the rules of the game.

The Birla Opus team has demonstrated remarkable precision and speed in execution. In under 18 months, Your Company has commissioned five state-of-the-art manufacturing facilities, with a sixth set to go live in the next month. Once fully operational, Birla Opus will command approximately 24% of the installed capacity in India's decorative paints industry, a staggering entry for a new player in an industry that is around for more than five decades.

In just six months since its pan-India portfolio launch, Birla Opus has already emerged as the third-largest player in the Indian decorative paints industry. That is a remarkable achievement. When combined with our putty business, as is standard in industry benchmarks, our market share has already crossed the double-digit threshold. This strong early momentum reinforces our ambition to become the second-largest player in the sector at the earliest possible.

Birla Opus is truly reshaping the decorative paints market. With 175 plus products across more than 1,460 SKUs spanning all six decorative paint categories, the brand is redefining customer experience and customer choice. Our footprint now extends to over 8,000 towns, underpinned by a robust network of 141 depots and a differentiated retail strategy led by Birla Opus Studios and Birla Opus Paint Galleries.

At the heart of this transformation lies deep integration of technology. Every Birla Opus plant is designed around Industry 4.0 principles, embedding end-to-end automation, AI-driven operations, and intelligent manufacturing systems that deliver precision, speed, and sustainability, all of these at scale.

We remain firmly on track to align our revenue share with our installed capacity share of ~24%, and to achieve our near-term revenue aspiration of Rs. 10,000 crore by the third year of full-scale operations.

Next is Birla Pivot, our B2B e-commerce platform, that is bringing technology and trust into India's vast and often informal construction materials market. What began as a bold idea has swiftly become a fast-scaling business with a revenue run rate of more than Rs. 5,500 Cr. In a very short span of time, it has emerged as an relevant decision-making and logistics provider for builders, developers, dealers, and contractors

across India. At Birla Pivot, we are redefining B2B digitisation by putting AI at the heart of our operations. With a catalogue of over 40,000 SKUs and a presence in 375 cities across 26 states in a very short span, Birla Pivot is solving pain points with real impact. In doing so, we are enabling competitiveness for India's entrepreneurs and strengthening the foundation of India's manufacturing and construction economy. The business revenue continues to grow in line with the plan and remains on track to cross Rs 8,500 crore in Annualized Revenue by FY27, the US \$1 billion guidance given by the company earlier.

So, both businesses, Birla Opus and Birla Pivot are firmly on track to achieve the ambitious targets set at inception, reinforcing Grasim's ability to seed and grow new engines of long-term value creation.

Moving to our Cellulosic Fibres business which recorded its highest-ever revenue of Rs.15,897 crore, driven primarily by robust volume growth and a rising share of Specialty Fibres. We have initiated work on the first phase of the Lyocell Fibre project at Harihar, in Karnataka, with an initial capacity of 55 KTPA out of a total planned 110 KTPA. The project is on track for commissioning by mid-2027, making a significant step in advancing our leadership in sustainable fibres.

Our Chemicals business continues to consolidate position its leadership, with an expanded installed capacity of 1,505 KTPA, making it the largest producer of caustic soda in the country. FY 2024–25 saw improved net ECU realisation over the previous year, aided by firmer global pricing. The Chlorine Derivatives segment also posted strong gains, supported by focused portfolio development. In Specialty Chemicals, our epoxy polymers and curing agents capacity has been expanded to the highest-ever level in the country. Two major facilities, the ECH and CPVC plants

at Vilayat, are stated for commissioning in FY 2025–26, reinforcing our integrated value chain in advanced materials.

Moving on to UltraTech Cement, our subsidiary, which continues to accelerate its growth trajectory. In FY 2024–25, the Company closed significant strategic acquisitions, both very large cement companies, India Cements and Kesoram Cement, moves that enhance not only scale but also capability and market depth across India’s infrastructure ecosystem. We remain firmly on course to cross 200 MTPA of cement capacity in this fiscal year itself, a full year ahead of the original FY27 timeline.

Aditya Birla Capital, our financial services arm, sustained its growth momentum, closing FY 2024–25 with a record combined loan book (NBFC + HFC) of over Rs.1,57,000 crore with an all-time high AUM exceeding Rs. 5,00,000 crore. A landmark development during the year was the successful strategic merger with Aditya Birla Finance, its wholly owned subsidiary, creating a stronger, unified NBFC platform with enhanced operational scale and streamlined compliance.

Aditya Birla Renewables, our clean energy business, is scaling rapidly with a goal to add 1 GW of capacity annually. In FY 2024–25, the business recorded 35% revenue growth, propelled by capacity additions that brought total cumulative capacity to 1.5 GW. The performance reflects our commitment to building a future-ready, sustainable energy portfolio.

Let me now turn to a principle that is deeply embedded in every facet of Grasim’s growth sustainability.

Sustainability is part of our DNA, shaping how we create value for communities, industries, and the Indian economy at large. This year marks a pivotal moment in our Net Zero journey. We have moved beyond business-specific sustainability goals to adopt a unified, enterprise-wide

framework at the Grasim level. This strategic shift brings coherence, fosters synergy, and enables us to track progress more holistically, accelerating impact with greater speed and with greater scale. By consolidating our sustainability efforts, we are laying a more formidable foundation for realising our Net Zero ambition.

Several accolades this year reaffirmed our leadership. Grasim was featured in the S&P Global Sustainability Yearbook 2024 and honoured as 'Master of Risks – Conglomerate' by India Risk Management. It also received Hurun India's Sustainable Manufacturing Leadership Award.

Coming to the journey beyond Business of giving back to society

Our commitment to nation-building extends far beyond just business metrics. Guided by the philosophy of being *A Force for Good*, we continue to uplift lives and foster inclusive development.

Under the leadership of Mrs. Rajashree Birla, Director of your company and Chairperson of the Aditya Birla Centre for Community Initiatives and Rural Development, our CSR programmes have touched over 12 lakh lives across 300+ villages this year. With an investment of Rs.88.42 crore in FY 2024–25, we continue to support healthcare, education, livelihoods, and infrastructure. We are honoured to have been recognised as the Economic Times Conscious Corporate 2024, widely regarded as the Oscars of corporate India.

Now on Dividend

The Board has approved a dividend of ₹10 per share, marking more than **62 consecutive years of uninterrupted dividend payments**. This enduring track record reflects our financial strength, disciplined capital allocation, and deep commitment to creating long-term shareholder value, through all business cycles.

Coming to Capital Expenditure our relentless Force for Growth

Between FY20 and FY25, we have invested over Rs. 67,000 crore in capital expenditure, of which Rs. 51,000 crore was directed towards growth. These investments span our core sectors, strategic adjacencies, digital innovation, and sustainability-linked projects, reinforcing our leadership and building resilience for the future.

To conclude

I have long believed that the stronger we grow, the greater the difference we can make. Growth, for Grasim, is not an end in itself. It is a force multiplier, expanding the horizon of what we can achieve and number of people we can impact.

Your belief in our purpose and your partnership in our progress have been our greatest strength. It inspires us to continue building a company that is committed to delivering better outcomes for all its stakeholders.

On behalf of the Board, I extend our deepest gratitude.

Thank you.