

# Board's Report

## Dear Members,

Your Directors are pleased to present the 76<sup>th</sup> Annual Report in the form of Fourth Integrated Report of your Company along with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2023.

## FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended 31<sup>st</sup> March 2023 is summarised below:

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
	₹ in crore			
<b>Continuing Operations</b>				
Revenue from Operations	117,627.08	95,701.13	26,839.71	20,856.84
Other Income	3,612.05	821.34	1,018.34	895.31
<b>Total Revenue</b>	<b>121,239.13</b>	<b>96,522.47</b>	<b>27,858.05</b>	<b>21,752.15</b>
<b>Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b>	<b>20,477.64</b>	<b>17,772.41</b>	<b>4,198.23</b>	<b>4,111.47</b>
Less: Finance Costs	(1,320.27)	(1,295.70)	(367.67)	(247.24)
Less: Depreciation and Amortisation Expenses	(4,551.59)	(4,161.07)	(1,097.29)	(913.96)
<b>Profit Before Share in Profit of Equity Accounted Investees, Exceptional Items and Tax</b>	<b>14,605.78</b>	<b>12,315.64</b>	<b>2,733.27</b>	<b>2,950.27</b>
Share in Profit of Equity Accounted Investees	208.96	380.33	-	-
Exceptional Items	(88.03)	(69.11)	(88.03)	(69.11)
<b>Profit Before Tax (PBT) from Continuing Operations</b>	<b>14,726.71</b>	<b>12,626.86</b>	<b>2,645.24</b>	<b>2,881.16</b>
Tax Expenses from continuing operations	3,648.51	1,936.31	521.51	185.71
<b>Profit for the Period from Continuing Operations Attributable to:</b>	<b>11,078.20</b>	<b>10,690.55</b>	<b>2,123.73</b>	<b>2,695.45</b>
Shareholders of the Company	6,827.26	7,102.37	2,123.73	2,695.45
Non-Controlling Interest	4,250.94	3,588.18	-	-
<b>Discontinued Operations</b>				
Profit Before Tax (PBT) from Discontinued Operations	-	352.52	-	155.98
Exceptional Items	-	670.71	-	510.79
Tax Expenses from Discontinued Operations	-	(440.07)	-	(310.95)
Provision of Impairment of Assets Classified as Held for Sale	-	(67.42)	-	-
<b>Profit for the Period from Discontinued Operations Attributable to:</b>	<b>-</b>	<b>515.74</b>	<b>-</b>	<b>355.82</b>
Shareholders of the Company	-	447.41	-	355.82
Non-Controlling Interest	-	68.33	-	-
<b>Other Comprehensive Income for the Year Attributable to:</b>	<b>(3,180.78)</b>	<b>3,280.80</b>	<b>(3,074.01)</b>	<b>3,219.07</b>
Shareholders of the Company	(3,104.23)	3,281.85	(3,074.01)	3,219.07
Non-Controlling Interest	(76.55)	(1.05)	-	-
<b>Total Comprehensive Income for the Year Attributable to:</b>	<b>7,897.42</b>	<b>14,487.09</b>	<b>(950.28)</b>	<b>6,270.34</b>
Shareholders of the Company	3,723.03	10,831.63	(950.28)	6,270.34
Non-Controlling Interest	4,174.39	3,655.46	-	-
<b>Profit for the Period Attributable to Shareholders of the Company</b>	<b>6,827.26</b>	<b>7,549.78</b>	<b>2,123.73</b>	<b>3,051.27</b>
<b>Opening Balance in Retained Earnings</b>	<b>10,159.72</b>	<b>6,021.21</b>	<b>8,013.25</b>	<b>5,529.53</b>
- Gain/(Loss) on Re-measurement of Defined Benefit Plans	49.01	23.18	(2.57)	24.71
- Gain on Sale of Non-Current Investments transferred to Retained Earnings from equity instruments through OCI	1.37	(1.37)	-	-
- Stake Dilution in Subsidiary Companies	(10.85)	(14.82)	-	-
<b>Amount Available for Appropriation</b>	<b>17,026.51</b>	<b>13,577.98</b>	<b>10,134.41</b>	<b>8,605.51</b>
Add/Less: Transfer (to)/from Debenture Redemption Reserve	-	110.60	-	-
Less: Transfer to General Reserve	(3000.00)	(2,752.48)	-	-
Less: Transfer to Special Reserve Fund	(387.20)	(190.75)	-	-
Less: Dividend Paid on Equity Shares	(657.65)	(592.26)	(657.65)	(592.26)
Other movements during the year	(1.62)	6.63	-	-
<b>Closing Balance in Retained Earnings</b>	<b>12,980.04</b>	<b>10,159.72</b>	<b>9,476.76</b>	<b>8,013.25</b>

## DIVIDEND

Based on your Company's performance, your Directors have recommended dividend of ₹ 10 per equity share of face value of ₹ 2 each for the year ended 31<sup>st</sup> March 2023.

The dividend, if approved by the members, would involve a cash outflow of ₹ 658 crore.

In terms of the provisions of the Income Tax Act, 1961, dividend shall be taxed in the hands of shareholders at applicable rate of taxes and your Company shall withhold tax at source appropriately.

The recommended dividend is in line with your Company's Dividend Distribution Policy. Dividend Distribution Policy, in terms of the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), is available on your Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_Dividend\\_Policy\\_16.pdf](https://www.grasim.com/upload/pdf/Grasim_Dividend_Policy_16.pdf)

## TRANSFER TO RESERVES

The Board of Directors of your Company has decided not to transfer any amount to the General Reserves, for the year ended 31<sup>st</sup> March 2023.

## PERFORMANCE REVIEW

On a consolidated basis, the revenue from operations for FY 2022-23, stood at ₹ 117,627 crore registering a growth of ~23% as compared to the previous year of ₹ 95,701 crore. The Consolidated EBITDA increased to ₹ 20,478 crore for FY 2022-23, which was 15.22% higher than that of previous year of ₹ 17,772 crore.

On a standalone basis, revenue from operations for FY 2022-23 stood at ₹ 26,840 crore, registering a growth of 28.69% as compared to the previous year of ₹ 20,857 crore. The standalone EBITDA is ₹ 4,198 crore for FY 2022-23 which was 2.11% higher than that of the previous year of ₹ 4,111 crore.

## STRATEGIC INITIATIVES AND SIGNIFICANT DEVELOPMENTS

### Update on Paints Business

The decorative paints industry size is ~ ₹ 67K crore of which ~75% is organised sector. In FY 2022-23 organised decorative revenue grew by ~22% over FY 2021-22.

The project work is progressing at all 6 sites namely Panipat (Haryana), Ludhiana (Punjab), Chamarajanagar (Karnataka), Cheyyar

(Tamil Nadu), Mahad (Maharashtra) and Kharagpur (West Bengal). Commissioning of plants will start in phases from last quarter of FY 2023-24, and all the plants are expected to be commissioned by end of FY 2024-25 with a total project cost of approximately ₹10,000 crore. R&D Centre of global standards and a Pilot plant has been commissioned which will help in scaling of lab tested formulations.

With total planned capacity of 1,332 million liters per annum, the Company aims to be number two player by capacity in decorative paints industry in India. Entry in the paints sector will add size, scale, and diversity to the existing business portfolio of the Company.

The Company has spent ₹ 2,592 crore cumulatively up to FY 2022-23.

### Update on B2B E-commerce Business

The Go-to-Market strategy and outreach plan have been finalised. The technology partners have been engaged and platform is being developed. The Company has already onboarded a leadership team across sales, marketing, category and operations for the full-scale launch scheduled in Q2 FY24. This launch will be in a phased manner beginning with the states of Maharashtra and Madhya Pradesh.

### Amalgamation of Aditya Birla Solar Limited with Aditya Birla Renewables Limited

Aditya Birla Solar Limited ('ABSL') and Aditya Birla Renewables Limited ('ABReL') are wholly-owned Subsidiaries of your Company, both engaged in the business of Renewable energy. ABReL and ABSL had filed the Application and the Scheme of Arrangement with the Hon'ble National Company Law Tribunal, Mumbai ('NCLT') on 27<sup>th</sup> March 2020 for the amalgamation of ABSL with ABReL under Sections 230 and 232 of the Companies Act, 2013. Subsequent to directions received from the Hon'ble NCLT, the meetings of shareholders and unsecured creditors of both the Companies were dispensed with and both the Companies complied with the directions of the Hon'ble NCLT order. The Companies filed the petition on 18<sup>th</sup> June 2021 seeking sanction on the said scheme. The said petition got transferred to Bench II of the Hon'ble NCLT Bench, Mumbai and was admitted on 27<sup>th</sup> April 2022 and was reserved for the orders. Hon'ble NCLT's order is awaited.

## CONSOLIDATED FINANCIAL STATEMENTS (CFS)

In accordance with the Companies Act, 2013 ('the Act'), read with the Companies (Accounts) Rules, 2014, Listing Regulations and Ind AS 110 – Consolidated Financial Statements and Ind AS 28 – Investments in Associates and Joint Ventures, the Audited Consolidated Financial Statements forms integral part of this Annual Report. CFS include financial performance of the Company's subsidiaries, Associates and Joint Ventures, which inter-alia includes UltraTech Cement Limited, Aditya Birla Capital Limited, Aditya Birla Solar Limited, Aditya Birla Renewables Limited and other entities as mentioned in notes to CFS.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year, Grasim Business Services Private Limited was incorporated as a wholly-owned subsidiary of the Company on 4<sup>th</sup> January 2023 to provide business support service including Staffing solutions.

Apart from this, there are no change in the direct Subsidiaries, Associates and Joint Venture Companies of your Company.

In accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries, associates and joint venture Companies is provided, in the prescribed Form AOC-1, in **Annexure 'A'** to this Report.

In accordance with the provisions of Section 136 of the Act, the Audited Standalone and Consolidated Financial Statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website of the Company at <https://www.grasim.com/investors/results-reports-and-presentations>

UltraTech Cement Limited and Aditya Birla Capital Limited are the material listed Subsidiary Companies of your Company. Your Company does not have any material unlisted Subsidiary. The Audit Committee and the Board reviews the financial statements, significant transactions and working of all Subsidiary Companies, and the minutes of unlisted subsidiary Companies/Joint Venture are placed before the Board.

Your Company has in accordance with the Listing Regulations adopted the Policy for determining material subsidiaries. The said Policy is available on your Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_Policy\\_Material\\_Subsiidiary\\_Cos.pdf](https://www.grasim.com/upload/pdf/Grasim_Policy_Material_Subsiidiary_Cos.pdf)

## ULTRATECH CEMENT LIMITED ('UltraTech')

The country's cement production is expected to climb by around 6% to 8% over financial years 2023 and 2024, following a 21% jump for the financial year ended March 2022, as reported by a leading ratings agency. The growing housing sector, which typically accounts for 60% to 65% of India's cement consumption, will remain a key demand driver. Also, continued large investments in roads and infrastructure projects will fuel cement demand.

During the year, UltraTech recorded net revenues of ₹ 63,240 crore and EBITDA of ₹ 11,123 crore. UltraTech achieved the unique distinction of registering 100 million tons of production, dispatches and sales in FY 2022-23. This was backed by an effective capacity utilisation of 84% for the year.

During the year, UltraTech commissioned 12.4 mtpa additional capacity of grey cement. It further commissioned a 2.2 mtpa brownfield cement capacity at Patliputra in April 23. Work on the next phase of growth of 22.6 mtpa has already commenced. Commercial production from these new capacities is expected to go on stream in a phased manner by FY25/FY26.

Upon completion of these expansions, UltraTech's capacity will grow to 160.45 mtpa, reinforcing its position as the third largest cement company in the world, outside of China and the largest in India by far.

## ADITYA BIRLA CAPITAL LIMITED ('ABCL')

ABCL reported a Consolidated Revenue of ₹ 27,416 crore (grew 23% year on year) and Net Profit was ₹ 2,057 crore (grew 33% year on year). On a Standalone basis, revenue of ABCL was ₹ 219 crore and Net Profit was ₹ 141 crore. Active customer base at ~38 million (grew 8% year on year) aided by focus on granular retail growth across all businesses of the subsidiaries of ABCL. Overall AUM across asset management, life insurance and health insurance at over ₹ 3.6 lakhs crore (de-grew 3% year on year). Overall lending book (NBFC and Housing Finance) at ₹ 94,364 crore (grew 40% year on year). Gross premium (across Life and Health Insurance) at ₹ 17,787 crore (grew 28% year on year).

## SHARE CAPITAL

The Authorised Share Capital of the Company stood at ₹ 4,235,000,000 comprising of 2,062,500,000 Equity Shares of ₹ 2 each and 1,100,000 Redeemable Cumulative Preference Shares of ₹ 100 each as at 31<sup>st</sup> March 2023.

Issued, subscribed and paid-up capital of the Company stood at ₹ 1,316,864,252 comprising of 658,432,126 Equity Shares of ₹ 2 each fully paid up as at 31<sup>st</sup> March 2023.

During the year, your Company allotted 1,36,700 equity shares of ₹ 2 each pursuant to the exercise of Stock Options in terms of the Employees Stock Option Schemes of your Company.

## GLOBAL DEPOSITARY RECEIPTS ('GDRs')

During the year, the Company had amended the GDRs Deposit Agreements effective from 26<sup>th</sup> April 2023. In terms of the said amendment, the Company's GDR holders will be able to exercise the voting rights in the equity shares underlying the GDRs held by them, by way of providing instructions to the Depositary in terms of the Deposit Agreements and applicable laws.

## PURCHASE OF TREASURY SHARES

During the year, Grasim Employees' Welfare Trust ('Trust') acquired 6,34,509 equity shares of your Company from the secondary market. As per Ind AS, purchase of own equity shares are treated as treasury shares. The Trust constituted in terms of the Company's Employee Stock Option Scheme 2018 ('ESOS 2018') holds 19,95,127 equity shares of your Company as on 31<sup>st</sup> March 2023 for transfer to the eligible employees under ESOS 2018.

## DEPOSITS

During the year, your Company has not accepted or renewed any deposits within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014, and, as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

## ISSUE OF NON-CONVERTIBLE DEBENTURES

During the year, your Company has issued 20,000 fully paid-up, Unsecured, Listed, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000,000 each aggregating to ₹ 2,000 crore, at par, on private placement basis.

Your Company has redeemed 10,000 fully paid-up, Unsecured, Listed, Rated, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000,000 each aggregating to ₹ 1,000 crore during the year.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Pursuant to Section 186 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, disclosures relating to loans and investments as on 31<sup>st</sup> March 2023 are given in the Notes to the Financial Statements. During the year, there are no guarantees issued or securities provided by your Company in terms of Section 186 of the Act read with the Rules issued thereunder.

## MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis for the year, as stipulated under the Listing Regulations, is presented in a separate section and forms an integral part of this Annual Report.

## CORPORATE GOVERNANCE

Your Directors re-affirm their continued commitment to the best practices of Corporate Governance. Corporate Governance principles form an integral part of the core values of your Company. Your Company was compliant with the provisions relating to Corporate Governance.

The Corporate Governance Report for the year, as stipulated under Regulation 34 of the Listing Regulations, is presented in a separate section, and forms an integral part of this Annual Report. A certificate from the Statutory Auditors on its compliance is given in **Annexure 'B'** to this Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment/Re-appointment of Directors

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Kumar Mangalam Birla and Dr. Santrupt Misra, Non-executive Directors of your Company, are liable to retire by rotation at the ensuing AGM and, being eligible, have offered themselves for re-appointment. Brief profiles of Mr. Kumar Mangalam Birla and Dr. Santrupt Misra are provided in the Corporate Governance Report and Notice of AGM.

The Board of Directors:

- Appointed Ms. Ananyashree Birla (DIN: 06625036) and Mr. Aryaman Vikram Birla (DIN: 08456879) as Additional Directors (Non-executive Directors) of the Company, liable to retire by rotation, with effect from 6<sup>th</sup> February 2023. The members of the Company have approved their appointment as Non-executive Directors of the Company through Postal Ballot on 21<sup>st</sup> March 2023.
- Appointed Mr. Yazdi Piroj Dandiwal (DIN: 01055000) as an Additional Director (Independent Director) of the Company, not liable to retire by rotation, with effect from 6<sup>th</sup> February 2023. The members of the Company have approved his appointment as an Independent Director of the Company, through Postal Ballot on 21<sup>st</sup> March 2023.
- Re-appointed Mr. Harikrishna Agarwal (DIN: 09288720) as the Managing Director and Key Managerial Personnel of the Company, in terms of the provisions of the Act for a period of 2 years with effect from 1<sup>st</sup> December 2023 up to 30<sup>th</sup> November 2025, subject to the approval of the members of the Company.

### Cessation of Directors

- Mr. Shailendra Kumar Jain (DIN: 00022454) has stepped down as a Non-executive Director of the Company with effect from 1<sup>st</sup> February 2023, due to advancing age and need to devote time for family affairs including succession planning and pursue personal interest. There was no other material reason for his resignation except as stated.

The Board of Directors placed on record its sincere appreciation for the valuable contribution and services rendered by Mr. Shailendra Kumar Jain during his tenure with the Company.

There is no pecuniary or business relationship between the Non-executive Directors and the Company, except for the sitting fees and commission payable to the Non-executive Directors, in accordance with the applicable laws and approval of the shareholders of the Company.

### Key Managerial Personnel

Pursuant to the provisions of Sections 2(51) and 203 of the Act, Mr. Hari Krishna Agarwal, Managing Director, Mr. Pavan Kumar Jain, Chief Financial Officer ('CFO') and Mr. Sailesh Kumar Daga, Company Secretary are the Key Managerial Personnel ('KMP') of the Company as on 31<sup>st</sup> March 2023.

Mr. Pavan Kumar Jain has been appointed as CFO and KMP of the Company with effect from 15<sup>th</sup> August 2022 in place of Mr. Ashish Adukia, who was CFO and KMP of the Company up to 14<sup>th</sup> August 2022.

### MEETINGS OF THE BOARD

The Board of Directors of the Company met 7 (Seven) times during the year to deliberate on various matters. The meetings were held on 24<sup>th</sup> May 2022, 16<sup>th</sup> June 2022, 19<sup>th</sup> July 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 6<sup>th</sup> February 2023 and 14<sup>th</sup> February 2023.

Further details are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

### INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors of your Company, confirming that:

- they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations;
- they are not aware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective

of independent judgement and without any external influence; and

- they have registered their names in the Independent Directors Databank.

Your Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience and expertise in Corporate Governance, Legal & Compliance, Financial Literacy, General Management, Human Resource Development, Industry Knowledge, Technology, digitisation & innovation, Marketing, Risk Management, Strategic Expertise and Sustainability and they hold highest standards of integrity.

### FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-executive Directors, Executive Director and the Chairman of the Board.

The Nomination and Remuneration Committee ('NRC') of the Board has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-executive Directors/ Executive Director and the Chairman of your Company.

The performance of Non-independent Directors, the Board, as a whole, and the Committees of the Board has been evaluated by Independent Directors in a separate meeting. At the same meeting, the Independent Directors also evaluated the performance of the Chairman of your Company, after taking into account the views of Executive Director and Non-executive Directors. Evaluation as done by the Independent Directors was submitted to the NRC and subsequently to the Board.

Thereafter, the Board at its meeting discussed the performance of the Board, as a whole, its Committees and Individual Directors. The Board expressed satisfaction on the overall functioning of the Board and its Committees. The Board was also satisfied with the contribution of the Directors, in their respective capacities, which reflected the overall engagement of the Individual Directors.

The new Director inducted on the Company's Board attends an orientation programme. The details of the programme for familiarisation of Independent Directors are provided in the Corporate Governance Report, which forms an integral part of this Annual Report and is also available on your Company's website at <https://www.grasim.com/Upload/PDF/familiarisation-programme-independent-directors.pdf>

### DIRECTORS' RESPONSIBILITY STATEMENT

The audited accounts for the year are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present your Company's financial condition and results of operations.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the accounting policies selected have been applied consistently, and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at 31<sup>st</sup> March 2023, and of the profit of your Company for the year ended on that date;
- proper and sufficient care have been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- annual accounts have been prepared on a 'going concern' basis;
- the Directors have laid down proper internal financial controls, and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, is given in **Annexure 'C'** to this Report.

### INTEGRATED REPORT

The Company has published its Integrated Report for the Financial Year 2022-23. This report is prepared in alignment with the Integrated Reporting Framework laid down by the International Integrated Reporting Council and aims at presenting the value creation approach for our stakeholders.

### AUDITORS AND AUDIT REPORTS

#### Statutory Auditors

M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/W-100022) and M/s. KKC & Associates LLP, Chartered Accountants (Registration No. 105146W/W100621) (formerly known as Khimji Kunverji & Co. LLP), were appointed as Joint Statutory Auditors of the Company for a term of 5 (five) consecutive years, to hold office till the conclusion of the 79<sup>th</sup> AGM and 80<sup>th</sup> AGM of the Company, respectively.

The observations made by the Joint Statutory Auditors on the Financial Statements (Standalone and Consolidated) of the Company, in their Report for the financial year ended 31<sup>st</sup> March 2023, read with the Notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board of Directors under Section 134(3)(f) of the Act. The Auditors' Report does not contain any qualification, reservation, disclaimer or adverse remark.

#### Cost Auditor

Your Company is required to prepare and maintain the cost accounts and cost records pursuant to Section 148(1) of the Act read with rules made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors appointed M/s. D. C. Dave & Co., Cost Accountants, Mumbai (Registration No. 000611), as the Cost Auditors to conduct the cost audit of the Company for FY 2023-24 at a remuneration of ₹ 20 lakh plus applicable taxes and reimbursement of out-of-pocket expenses.

The Company has received consent from M/s. D. C. Dave & Co., Cost Accountants, to act as the Cost Auditor of your Company for FY 2023-24, along with the certificate confirming their eligibility.

In accordance with the provisions of Section 148(1) of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, an Ordinary Resolution, for ratification of remuneration payable to the Cost Auditor for FY 2023-24, forms part of the Notice of the 76<sup>th</sup> AGM of the Company.

#### Secretarial Auditor

The Secretarial Audit Report, issued by M/s. BNP & Associates, Company Secretaries, Mumbai, for the financial year 2022-23, is given in **Annexure 'D'** to this Report. The Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Compliance Report for the financial year

ended 31<sup>st</sup> March 2023, in relation to compliance of all applicable SEBI Regulations/circulars/guidelines issued thereunder, pursuant to the requirement of Regulation 24A of the Listing Regulations, is available on the website of the Company at <https://www.grasim.com/Upload/PDF/annual-secretarial-compliance-report-fy23-31st-march-2023.pdf>

Pursuant to the provisions of Section 204 of the Act and Rules made thereunder, M/s. BNP & Associates, Company Secretaries, Mumbai, are appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for FY 2023-24.

### SECRETARIAL STANDARDS

During the year, your Company is in compliance with the applicable Secretarial Standards specified by the Institute of Company Secretaries of India.

### REPORTING OF FRAUDS BY AUDITORS

No instances of fraud were reported by the Auditors under Section 143(12) of the Act.

### DISCLOSURES

#### Contracts and Arrangements with Related Parties

During the year, all contracts/arrangements/transactions entered into by your Company with Related Parties were on arm's length basis and in the ordinary course of business. There are no material transactions with any Related Party as defined under Section 188 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

In line with the requirements of the Act and amendment to the Listing Regulations, all Related Party Transactions have been approved by the Audit Committee and reviewed by it on a periodic basis. Your Company has formulated a 'Policy on Related Party Transactions', which is also available on the Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_policy\\_on\\_RPT.pdf](https://www.grasim.com/upload/pdf/Grasim_policy_on_RPT.pdf). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The details of contracts and arrangements with Related Parties of your Company for the financial year ended 31<sup>st</sup> March 2023, are given in Notes to the Standalone Financial Statements, forming part of this Annual Report.

The Board of Directors at its meeting held on 14<sup>th</sup> February 2023 has approved entering into material RPTs with Hindalco Industries Limited, a promoter group company for an aggregate value of up to ₹1,200 crore. As per Listing Regulations, the Company has also sought approval of the Shareholders through Postal Ballot and the same was approved on 21<sup>st</sup> March 2023.

### VIGIL MECHANISM / WHISTLE-BLOWER POLICY

Your Company has established a mechanism for directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud, or violation of your Company's Code of Conduct. It also provides adequate safeguards against the victimisation of employees, who avail the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. During the year, no person was denied access to the Audit Committee.

The details of the Vigil Mechanism are also provided in the Corporate Governance Report, which forms an integral part of this Annual Report and the Vigil Mechanism / Whistle-Blower Policy is available on the website of your Company at <https://www.grasim.com/Upload/PDF/whistle-blower-policy.pdf>

### CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act and Rules made thereunder, the Board of Directors has a Corporate Social Responsibility ('CSR') Committee, which is chaired by Smt. Rajashree Birla. The other Members of the Committee as on 31<sup>st</sup> March 2023, are Ms. Anita Ramachandran, Independent Director and Mr. Harikrishna Agarwal, Managing Director. Dr. Pragnya Ram, Group Executive President - CSR is a permanent invitee to the Committee. The Corporate Social Responsibility Policy ('CSR Policy'), indicating the activities undertaken by your Company, is available on your Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_CSR\\_Policy\\_2013.pdf](https://www.grasim.com/upload/pdf/Grasim_CSR_Policy_2013.pdf)

Your Company is a caring corporate citizen and lays significant emphasis on development of the host communities around which it operates. Your Company, with this intent, has identified several projects relating to Social Empowerment and Welfare, Rural Development, Sustainable Livelihood, Health Care and Education, during the year, and initiated various activities in neighbouring villages around its plant locations.

During the year, the Company has spent ₹ 54.19 crore, of which ₹ 34.16 crore (excluding an amount of ₹ 4.50 crore which remained unspent and classified as ongoing project by the Board and it has been transferred to separate bank account in April 2023) was spent towards obligatory CSR of the Company and an amount of ₹ 20.03 crore was voluntarily spent for CSR activities.

The initiatives undertaken by your Company on CSR activities, during the year, are given in **Annexure 'E'** to this Report, in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

### RISK MANAGEMENT AND SUSTAINABILITY

Your Company has constituted Risk Management and Sustainability Committee ('RMSC'), which is *inter alia*, mandated to review the risk management and sustainability plan of your Company. Risk evaluation and management is an ongoing process within the organisation. Your Company has a comprehensive Enterprise Risk Management framework to periodically assess risks in the internal and external environments (including Cyber Security) and incorporate mitigation plans in its business strategy and operation plans. Risks are identified at multiple levels - unit level, business level and corporate level. During the year, the RMSC met twice to review the key risks faced by the Company and steps being taken to mitigate the same.

Based on the aforesaid review, there are no risks, which in the opinion of the Board, threaten the existence of the Company. However, key risks are set out in the Management Discussion and Analysis, which forms part of this Annual Report.

The Risk Management Policy is available on the Company's website at <https://www.grasim.com/Upload/PDF/risk-management-policy.pdf>

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per Regulation 34(2)(f) of the Listing Regulations, a separate section on Business Responsibility and Sustainability Report, describing the initiatives taken by your Company from environmental, social and governance perspective, forms an integral part of this Annual Report.

### ANNUAL RETURN

Pursuant to Sections 92 and 134 of the Act, and the Rules made thereunder, the Annual Return of your Company as on 31<sup>st</sup> March 2023 is available on the Company's website at <https://www.grasim.com/Upload/PDF/form-MGT-7-annual-return-fy-22-23.pdf>

### INTERNAL CONTROLS

Your Company has in place adequate internal control systems (including internal financial control system) commensurate with the size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations. During the year, no material or serious observation has been received from the Joint Statutory Auditors of your Company, citing inefficiency or inadequacy of such controls.

### REMUNERATION POLICY

The Company's remuneration policy is directed towards rewarding the performance based on review of achievements. The remuneration policy is in consonance with the existing industry practice. There has been no change in the policy during the year.

The Remuneration Policy of your Company, as formulated by the Nomination and Remuneration Committee of the Board of Directors, is given in **Annexure 'F'** to this Report and is also available on your Company's website at <https://www.grasim.com/upload/pdf/ABG-executive-remuneration-philosophy-policy.pdf>

### STATUTORY COMMITTEES OF THE BOARD

#### Audit Committee

The Audit Committee comprises of Mr. N. Mohan Raj, Chairman, Dr. Thomas M. Connelly Jr., Mr. V. Chandrasekaran and Mr. Harikrishna Agarwal as its members. Majority of the members including Chairman of Audit Committee are Independent Directors. The CFO of your Company is a permanent invitee at the Audit Committee Meetings.

Further details relating to the Audit Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

All the recommendations made by the Audit Committee, during the year, were accepted by the Board of Directors of your Company.

#### Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') comprises of Ms. Anita Ramachandran, Chairperson, Mr. Kumar Mangalam Birla, Mr. Adesh Kumar Gupta and Mr. Cyril Shroff as its members. Majority of the members including Chairperson of NRC are Independent Directors.

Further details relating to the NRC are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

#### Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee comprises of Smt. Rajashree Birla, Chairperson, Ms. Anita Ramachandran and Mr. Harikrishna Agarwal as its members.

Further details relating to the CSR Committee are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') comprises of Ms. Anita Ramachandran, Chairperson, Mr. Yazdi Piroj Dandiwala and Mr. Harikrishna Agarwal as its members.

Further details relating to SRC are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

### Risk Management and Sustainability Committee

The Risk Management and Sustainability Committee ('RMSC') comprises of Mr. N. Mohan Raj, Chairman, Dr. Thomas M. Connelly, Jr., Mr. V. Chandrasekaran, Mr. Harikrishna Agarwal, Mr. Kapil Agarwal, Mr. Jayant V. Dhobley and Mr. Rakshit Hargave.

The CFO and Chief Sustainability Officer of your Company are permanent invitees at the RMSC Meetings.

Further details relating to the RMSC are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

### RESEARCH AND DEVELOPMENT (R&D)

The R&D projects undertaken by the Company focus on developing and commercialising premium differentiated products, improving our competitive cost position, product quality and environmental sustainability. To support these goals, the businesses are managing a pipeline of projects that are addressing near and mid-term needs, as well as the exploration of future opportunities.

### PULP AND VISCOSE STAPLE FIBRE (VSF)

The VSF business of the Company consistently pursues excellence in customer centricity and product quality. Key enablers in this journey are relentless focus on process consistency, operational efficiency and an innovative approach of leveraging new scientific advancements.

One such advancement is Digitalisation that has ushered the Industry 4.0 revolution. We strongly believe that Digitalisation will enable our Business to achieve a step improvement in process capability and reliability. An increasingly connected workforce is now routinely utilising Digital dashboards providing real-time process information and trends. AI/ML based models have been implemented for better control of some of the important and difficult-to-control process variables, e.g., OPU in VSF manufacturing lines, and pulp viscosity and whiteness in the Harihar pulp plant. Several AI/ML based soft sensors e.g. real-time contamination detection/removal, early blade breakage detection in fibre cutters, real-time ball fall viscosity measurement, etc., were

successfully implemented in commercial lines and will contribute towards reducing off-spec generation while increasing process consistency. A computer-vision based spinneret inspection system was implemented at Vilayat and BC Kharach units, and is enabling plants to monitor spinneret quality with high resolution. The R&D team combined fundamental physics models with computational fluid dynamics and in partnership with Kharach and Harihar plants helped in debottlenecking fibre dryers, thereby achieving benefits such as throughput enhancement and reductions in steam and soft finish consumption fibre lines. We are confident that as more Digitalisation work-products are implemented, they will usher a transformational change in our Operations' capabilities.

Sustainability continued to be a high priority for us. For a third consecutive year, Birla Cellulose was awarded the highest rating of Dark Green Shirt by the global NGO Canopy, recognising your Business's Sustainability efforts. In the arena of textile recycling and circularity, significant progress was made in the form of successful commercial runs of Liva Reviva made from 30% textile waste, and the commissioning of a mechanical recycling facility at TRADC. With both chemical as well as mechanical recycling capabilities, your Business has become the established industry front-runner in textile recycling. The fibre production units achieved significant progress in reducing consumption ratios of key raw materials. Backed by innovative optimisation concepts and digitalisation, Birla Cellulose Kharach achieved a ~10% increase in MSFE evaporation efficiency. This allowed the unit to increase the recycling of intermediate streams, thereby reducing raw water usage and effluent generation. While the productivity of assets such as MSFEs is being maximised, it is also important to inculcate new and potentially superior technologies. Birla Cellulose Kharach is collaborating with Memsift Technologies for the pilot testing of the cutting-edge membrane evaporation technology. Once implemented, membrane evaporation can lead to ~30% reduction in evaporation energy compared to MSFEs. The pilot scale prototype is expected to be ready this year, and will be extensively tested at Birla Cellulose Kharach. This would constitute the first ever pilot scale demonstration of this novel technology in the MMCF sector.

The uncertainties emanating from Covid-19 and subsequent supply-chain disruptions brought to sharp focus, the need to develop wood pulp alternatives. Birla Cellulose's collaboration with the Australian start-up Nanollose to develop 'tree-free' Excel fibres from food industry waste derived bacterial cellulose has received international recognition. The companies jointly won the 'Cellulose Fibre Innovation of the Year' award by Nova Institute, Germany for successful pilot scale demonstration of this innovative technology. This work highlights the power of collaboration for fast-tracking commercial innovation. Birla Cellulose is pursuing collaborative research with several frontline scientific bodies, e.g.

Central Pulp & Paper Research Institute (CPPRI) for Bamboo/Jute pulping, Manmade Textiles Research Association (MANTRA) for developing viscose-based non-wovens. Birla Cellulose acquired advisory board membership of the Renewable Bio-resources Institute (RBI) of the University of Georgia, which helps in gathering early view to promising new de-carbonisation technologies. Similarly, memberships with Fashion-for-Good (FFG) and The Microfibre Consortium (TMC) help the Business stay intimately connected with global recycling innovators as well as regulatory eco-systems.

Amongst the New Products, we are glad to note that the short-cut fibres developed by Birla Cellulose for flushable wipes have met with commercial acceptance, and have now transitioned from 'under commercialisation' to regular manufacture stage. The novel short-cut fibre process was fully developed in-house and is the culmination of innovations in chemistry, process and equipment that made the manufacture possible with minimal changes in plant hardware. Furthermore, this process produces fibres with superior product characteristics compared to established conventional short-cut fibres. Several new fibres were successfully validated at the pilot stage, and are undergoing market-seeding and market validation stages. These include FIR viscose fibre (FIR-VSF) for thermal ware and wellness application, anionic viscose fibre (Liva IntelliColour) that will enable single-bath dyeing with acrylic and cationically dyeable polyester fibres, and viscose fibres for hygiene application (Purocel Ecodry). Such innovative products are not only helping in consolidating the Business's reputation as an innovation based customer-centric fibre manufacturer but also secured the national level prestigious 'Golden Peacock Innovation Management Award' for 2022.

### VISCOSE FILAMENT YARN (VFY)

Your Company has developed a range of new products that are tailored to meet the diverse needs of our customers. Four products have been produced on commercial scale in PSY and CSY with careful consideration of our customers' specific needs and preferences.

To expand the range of products offered in SSY, have developed and produced three new products on a commercial scale for different application segment. In addition to product diversification, your Company has been focused on deriving benefits through product improvement. Your Company has also successfully developed microfilament and hybrid yarn in CSY, which has enabled company to create a new market/product segment with enriched fabric (better feel) that meets evolving customer tastes.

### CHLOR-ALKALI & CHLORINE DERIVATIVES

Your Company's Research and Development ('R&D') efforts stand on the five pillars of – Customers, Innovation, Quality, Sustainability and Profitability. We are focusing efforts on cost optimisation, developing new products after understanding customers latent needs and further enhancing our chlorine derivate portfolio

Water Treatment Business being focus, your Company leveraged its R&D Centre for solving water treatment problems in potable water, some major health problems (removal of fluoride from ground water-jointly with MNIT), working on STP supporting the 'Namami Gange' project, providing water & waste-water treatment solutions to Oil & Gas, Power, Pulp & Paper, rubber pyrolysis, quarries, economical solutions for Effluent Treatment Plants.

We have expanded R&D centre in on the Vilayat Site by inaugurating new plastic application lab spread in 5000 sq ft area by on boarding technical experts and high end equipment to offer greener and sustainable solutions to the plastic manufacturing customers. We have filed 1 patent and got approval for 2 patents in the last 12 months.

Your Company's R&D Centre has been approved by the Dept. of Scientific and Industrial Research (DSIR) and is executing collaborative project with many renowned institutes like CSMCRI, CEPT, DST, NEERI, CIFE, CIBA, CLRI, MNIT, IITs, IICT, NCL, etc. Your Company received NSF/ANSI and Kosher certifications for its operating Units, certifications from FSSAI for food grade calcium chloride products, Eco-Passport by OEKO-TEX for new product range developed for textile industry and EU-REACH / UK-REACH for long chain chlorinated paraffins. You became first company granted by BIS for aluminum chlorohydrate product. R&D Centre published research articles/papers and presentations in the area of Water Treatment and Cleaning solutions at various forums like Finest-50 Global Case Studies – Smart Water & Waste World Magazine, CII-ICPC, Chemcon'22, Clean India, Clean Rail solutions and many more.

Your Company's R&D Centre has also collaborated with the Aditya Birla Science and Technology Company Private Limited ('ABSTCLP') and the academia in the scientific and technical forums. R&D Centre has also, worked with the Industry to develop multiple coagulants for water treatment with unique specifications like low cost product for CETP, decolourant for coloured effluent, new product for coating and PVC sheets based on long chain chlorinated paraffin for export markets. Your Company is also developing specialty blends (plastics, water treatment, etc.), new formulations for home and personal care FMCG segment and chemicals for pharmaceutical applications.

Various enhancements in production process have also been undertaken by the team to enhance its efficacy and quality of deliverables. Your Company observed an improvement in production in HSBP plant, resolution of issues in Phosphoric Acid plant, modified recipes in PAC liquid production for better product and standardisation of shelf life for all products.

### SPECIALITY CHEMICALS (EPOXY POLYMERS & CURING AGENTS)

Your Company's R&D team is leading and driving the Sustainability portfolio through New Product Development in the area of Bio-Based products, waterless, solvent free, green processes and chemistries, as well as innovation in the area of Recyclability & Circularity of Materials. The teams are also involved in synthesising new molecules and in developing products and applications that drive growth of specialty segment for the business.

R&D team is working with leading Universities, Institutes and Global experts in building the innovation footprint and speeding up the research to market phase.

R&D team is engaged in development of various bio-based products. Bio-based and high performing molecules are developed via combination of the Company's formulation expertise and properties brought by new bio-based chemistries. Sustainability is one of key drivers of ABC, which has a long standing commitment to sustainability by using bio-products. Various reactive bio-based epoxy diluents of desired viscosities, Epoxy Equivalent Weight ('EEW') and Hydrolyzable chloride ('HyCl') content, mono-, di- and multi-functional epoxy building blocks are developed by R&D.

R&D team is involved in application development in epoxy system solutions for composite segment, wind segment, pipes, LPG gas storage tanks, products for electrical and electronic industries, powder coating segment, adhesives products development, in construction segment, water soluble coating solution for can coating applications, developing products for floor coating and construction segments.

### INSULATORS

Your Company's R&D efforts focus on innovation, cost optimisation and introduction of new products to meet customer requirements. Developments during the year included the following:

- New products for HVDC (High Voltage Direct Current Transmission) transmission as per the challenging requirements of the end user.
- Optimised design products for 120 kN and 160 kN A/F.

- Performance enhancement by grade selection and optimisation for metal parts.
- Cost Optimisation and Import Substitution by development of alternate suppliers while maintaining our quality standards.

### TEXTILES

Your Company is involved in driving innovation, servicing new customers with focus on sustainability and customers emerging needs, and constantly improving its processes.

Your Company has launched:

1. FabroStretch – Comfort Stretch linen range, for tight fit fashion apparels. FabroStretch provides comfort stretch, better recovery and durability.
2. Fabroma- Aroma fragrance linen range, an innovative encapsulated technology-based aroma finish releases fresh aroma upon friction and it is ecofriendly and durable.

Your Company continues to develop blends in both linen and wool with sustainable fibres, such as Silk, Cashmere, Lyocell, Bamboo, etc., we offer organic certified Linen and wool with complete traceability from farm to fashion.

In collaboration with Birla Cellulose, your Company developed Cotton blends with sustainable fibres like Liva Eco, Viscose and Lyocell/Excel fibres.

As a customer centric initiative, your Company has developed wool and wool blends for athleisure/active wear using Super wash technology (First in India).

Your Company is continuously working in collaboration with Aditya Birla Science and Technology Company Private Limited ('ABSTCPL') and other vendors to examine feasibility of developing a hemp value chain in India. Your Company is also working with global partners, e.g., CELC, Wool Mark, Trevira, NanoTex etc., and other specialty fibres and chemical suppliers to explore and develop innovative yarns and fabrics.

Thus, the wide span of the R&D activities addresses the present and future needs of the Textile business.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **Annexure 'G'** to this Report.

In accordance with the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits, set out in the aforesaid rules, forms part of this Report. In line with the provisions of Section 136(1) of the Act, the Report and Accounts, as set out therein, are being sent to all the Members of your Company, excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at [grasim.secretarial@adityabirla.com](mailto:grasim.secretarial@adityabirla.com).

### EMPLOYEE STOCK OPTION SCHEMES (ESOS)

#### ESOS-2006

During the year, the SRC of the Board of Directors allotted 4,510 equity shares of ₹ 2 each of the Company to Stock Option Grantees, pursuant to the exercise of the Stock Options under ESOS-2006. During the year, ESOS-2006 has been completed.

#### ESOS-2013

During the year, the SRC of the Board of Directors allotted 1,32,190 equity shares of ₹ 2 each of the Company to Stock Option Grantees, pursuant to the exercise of the Stock Options under ESOS-2013.

#### ESOS-2018

During the year, the NRC approved grant of 5,77,185 Stock Options and 1,82,193 Restricted Stock Units ('RSUs') to the eligible employees, including Managing Director of the Company, under ESOS-2018. The ESOS-2018 is being administered through the Grasim Employees' Welfare Trust (Trust).

1,73,169 equity shares were transferred from the Trust account to the employees account on account of exercise of Stock Options and RSUs by the grantees.

#### ESOS-2022

Pursuant to the approval of the shareholders at the AGM held on 29<sup>th</sup> August 2022, a new scheme viz. 'Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022' ('ESOS-2022') has been adopted in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB & SE Regulations'). The ESOS-2022 is being administered through the Grasim Employees' Welfare Trust ('Trust').

During the year, no Stock Options or PSUs were granted under ESOS-2022.

The details of Stock Options granted pursuant to ESOS-2006 and the Stock Options and RSUs granted pursuant to ESOS-2013 and ESOS-2018, and the other disclosures in compliance with the provisions of the SEBI SBEB & SE Regulations, is available on your Company's website at <https://www.grasim.com/Upload/PDF/esos-disclosure-2023.pdf>

A certificate from the Secretarial Auditors with respect to implementation of your Company's ESOS, will be available at the ensuing AGM for inspection by the Members.

### POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has zero tolerance for sexual harassment at workplace. Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), and the Rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Company has constituted Internal Complaints Committee to redress and resolve any complaints arising under the POSH Act. There were 4 (four) complaints received during the year, out of which 2 (two) were outstanding as on 31<sup>st</sup> March 2023. The Company is committed to providing a safe and conducive work environment to all its employees and associates.

### HUMAN RESOURCES

Your Company's human resource is the strong foundation for creating many possibilities for its business. The efficient operations of manufacturing units, market development and expansion for various products were the highlight of our people effort.

Continuous people development for developing knowledge and skills coupled with the Talent Management practices will deliver the talent needs of the Organisation. Your Company's employee engagement score reflects high engagement and pride in being part of the Organisation.

The Group's Corporate Human Resources plays a critical role in your Company's talent management process.

**AWARDS AND ACCOLADES**

Some of the significant accolades earned by your Company during the year include:

- Economic Times – Sustainable Organisation 2022.
- Ranks #1 in Apparel/Textile Sector by BW Most Reputed Companies List 2022.
- Domestic Textile Business certified as Great Workplace by Great Place to Work® Institute.
- Gold Shield for Integrated Reporting – Manufacturing Sector of 'ICAI Sustainability Reporting Awards 2021-22', by the Institute of Chartered Accountants of India.
- Annual Report awards under categories 1) Manufacturing, and 2) Integrated Reporting from South Asian Federation of Accountants (SAFA) 2021.
- NW18 Sustainability100+ Award in Water Stewardship.
- CRISIL Sustainability Report 2022 assigns 'Strong' rating with and ESG score of 63.
- 'Golden Peacock Innovation Management Award' for the year 2022 (Birla Cellulose).
- Golden Peacock Award in Occupational Health & Safety 2022. (Harihar unit)
- CFBC Boiler won Best Co-Gen Boiler by Director of factories and Boiler, Karnataka for 52<sup>nd</sup> National Safety Day 2023 (Harihar unit).
- 'Top Performer – Designated Consumer in Textile sector' by Power Ministry of Indian Government (Harihar unit).
- Future Enterprise of the Year -IDC Future Enterprise Awards 2022 (Birla Cellulose).
- Economic Times – Promising Plant 2022 to GCD Vilayat.
- 'Excellence in Environment Management' by CII-ITC Sustainability Awards 2022 (GCD Vilayat).
- Hot Button Report 2022, Canopy, an environment not-for-profit, has awarded Birla Cellulose with a 'Dark Green Shirt'.
- ESG Ratings for 2022 upgraded to 'BBB' from 'BB' by MSCI (Morgan Stanley Capital International).
- 'The CSR Journal Excellence Awards 2022' (1<sup>st</sup> Runner-up) Agriculture and Rural Development.
- India's most Sustainable firm 2021 by Capri Global Capital Hurun India -Impact 50 with the highest sustainability score.
- Appreciation plaque for commendable CSR work by FICCI CSR awards- Textiles.

- Outstanding Accomplishment in Corporate Excellence Award by CII-ITC Sustainability Awards 2022 – Textiles.
- Linen club was awarded 'Brand Of The Year 2022' by Marksmen Daily in association with India Today.

**UPDATE ON MATERIAL ORDERS PASSED BY THE REGULATORS**

- Competition Commission of India ('CCI') had passed an order under Section 4 of the Competition Act, 2002, dated 16<sup>th</sup> March 2020, imposing a penalty of ₹ 301 crore on your Company in respect of its domestic man-made fibre turnover for the period from 2008-09 to 2011-12. Your Company had filed an appeal against the order before the Hon'ble National Company Law Appellate Tribunal ('NCLAT'), and has obtained a stay by depositing ₹ 30 crore with NCLAT. While the matter is pending before the NCLAT, CCI has passed another order dated 3<sup>rd</sup> June 2021, and levied a penalty of ₹ 3.49 crore on your Company (@ ₹ 1 lakh per day for a period of 349 days and continuing thereafter) for non-compliance with its order passed on 16<sup>th</sup> March 2020. Your Company has filed a writ petition with the Hon'ble Delhi High Court, and the Hon'ble Delhi High Court has stayed the operation of the CCI order.
- The CCI has passed another order dated 6<sup>th</sup> August 2021, under Section 4 of the Competition Act, 2002, for the period of 2017-18. However, because of the penalty of ₹ 301 crore has already been imposed on the Company in a previous order; the CCI deemed it appropriate not to impose any further monetary penalty on the Company. The Company filed an appeal before the Hon'ble NCLAT.
- Your Company, backed by independent expert's opinion, believes that the above orders are not tenable in law. Accordingly, no provision has been made in the books of account on account of these matters.
- The Deputy Commissioner of Income Tax ('Assessing Officer') had vide order dated 14<sup>th</sup> March 2019 raised a demand of ₹ 5,872 crore on account of dividend distribution tax (including interest) alleging that the demerger of Financial Services Business is not a qualified demerger and holding that the value of shares allotted by Aditya Birla Capital Limited ('ABCL') to the shareholders of the Company in consideration of the transfer and vesting of the Financial Services Business into ABCL pursuant to duly approved Scheme of Arrangement, amounted to distribution of dividend by the Company.

In first appeal the Commissioner of Income Tax ('CIT') (Appeal) had upheld the order of the Assessing Officer and reduced the quantum of demand from ₹ 5,872 crore to ₹ 3,786 crore. In second appeal, the Hon'ble Tribunal vide order dated 30<sup>th</sup> November 2022 held that the demerger qualifies the

conditions laid down under the Income Tax Act. Following the order of the Hon'ble Tribunal, the Assessing Officer vide order dated 5<sup>th</sup> January 2023 deleted the demand of ₹ 3,786 crore.

- Further, the Assessing Officer had passed draft assessment order for the AY 2018-19 on 30<sup>th</sup> September 2021 and corollary to the earlier order referred above, proposed addition of ₹ 22,772 crore towards capital gains.

Your Company had filed objections before Dispute Resolution Panel ('DRP') against the draft order passed by the Assessing Officer. The DRP had vide order dated 30<sup>th</sup> June 2022 allowed the objection of the Company that the demerger was a tax compliant demerger as all the conditions of Section 2(19AA) of the Act are fulfilled. The Assessing Officer has passed final assessment order dated 26<sup>th</sup> July 2022 and dropped the proposed addition of capital gains.

- Your Company has not made any provision in the books of account in view of the decision of the Hon'ble Tribunal.

**CONVENING ANNUAL GENERAL MEETING (AGM) THROUGH AUDIO-VISUAL MEANS FACILITY**

The Ministry of Corporate Affairs ('MCA') has vide its General Circulars No. 14/2020 dated 8<sup>th</sup> April 2020, No. 17/2020 dated 13<sup>th</sup> April 2020, No. 20/2020 dated 5<sup>th</sup> May 2020, No. 02/2021 dated 13<sup>th</sup> January 2021, No. 2/2022 dated 5<sup>th</sup> May 2022 and No. 10/2022 dated 28<sup>th</sup> December 2022 and SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021, No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May 2022 and No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January 2023 issued by the Securities and Exchange Board of India ('SEBI') (collectively referred to as 'MCA and SEBI Circulars') permitted convening the AGM through Video Conference ('VC')/Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the MCA and SEBI Circulars, applicable provisions of the Act and the Listing Regulations, the 76<sup>th</sup> AGM of your Company is being convened and conducted through VC / OAVM.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these matters during the year:

1. No material changes and commitments affected the financial position of your Company between the end of the financial year and the date of this Report.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise;

3. Issue of shares (including sweat equity shares) to employees of your Company under any Scheme save and except ESOS referred to in this report;
4. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries;
5. There were no revisions in the financial statement(s);
6. There has been no change in the nature of business of your Company;
7. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operations in the future. The update on the status of material orders passed by the Regulators or Court or Tribunals is provided in this Report;
8. There were no proceedings initiated under the Insolvency and Bankruptcy Code, 2016;
9. There was no instance of one time settlement with any Bank or Financial Institution; and
10. There was no failure to implement any Corporate Action.

**ACKNOWLEDGEMENT**

Your Directors express their deep sense of gratitude to the shareholders, banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and support and look forward to their continued support in future.

Your Directors very warmly thank all our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication and commitment to your Company.

For and on behalf of the Board



**Kumar Mangalam Birla**

Chairman

(DIN: 00012813)

New Delhi, 26<sup>th</sup> May 2023

# Annexure 'A' to the Board's Report

## FORM AOC - 1

Statement containing salient features : Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

### Part 'A' - Subsidiaries

Sr. No	1	2	3	4	5	6
Name of Subsidiaries	Samruddhi Swastik Trading And Investments Limited	ABNL Investment Limited	Grasim Business Services Private Limited - w.e.f. 4 <sup>th</sup> January 2023	Aditya Birla Solar Limited	Aditya Birla Renewables Limited (ABREL)	Aditya Birla Renewables SPV1 Limited w.e.f.
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	6.50	28.14	0.10	66.59	753.02	62.61
Other Equity	55.43	30.18	(0.04)	40.09	(29.23)	8.54
Total Assets	63.02	65.98	0.10	321.53	1,514.79	275.14
Total Liabilities	1.09	7.66	0.04	214.86	791.00	203.99
Investments	58.75	0.76	-	-	553.21	-
Revenue from Operations	0.83	4.56	-	49.45	119.12	36.58
Profit/(Loss) before Tax	1.74	(6.65)	(0.04)	16.14	(5.68)	2.77
Tax Expenses	0.46	(0.09)	-	3.74	(0.97)	0.46
Profit/(Loss) for the Year	1.28	(6.56)	(0.04)	12.40	(4.71)	2.31
Proposed/Interim Dividend	-	-	-	-	-	3.76
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	100.00%	100.00%	100.00%	100.00%	88.90%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

Sr. No	7	8	9	10	11	12
Name of Subsidiaries	Aditya Birla Renewables Subsidiary Limited w	Aditya Birla Renewables Utkal Limited w	Aditya Birla Renewables Energy Limited w.e.f.	Aditya Birla Renewables Solar Limited w	ABREL SPV 2 Limited w	Waaco Energy Private Limited w
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	26.52	4.90	17.75	92.63	112.63	34.26
Other Equity	2.74	0.43	1.92	11.15	(11.00)	(1.65)
Total Assets	116.73	20.59	91.26	447.59	830.11	93.70
Total Liabilities	87.48	15.26	71.58	343.81	728.48	61.09
Investments	4.34	-	-	-	-	5.54
Revenue from Operations	15.24	3.34	8.12	20.33	14.05	10.21
Profit/(Loss) before Tax	2.03	0.75	0.23	3.43	(14.65)	2.88
Tax Expenses	0.47	0.19	0.04	0.70	(3.52)	0.90
Profit/(Loss) for the Year	1.56	0.56	0.19	2.73	(11.13)	1.99
Proposed/Interim Dividend	1.99	0.49	0.89	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	74.00%	74.00%	88.90%	74.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

₩ Subsidiaries of ABREL

+ 74% shares held by ABREL and 26% shares held by UTCL

Sr. No	13	14	15	16	17	18
Name of Subsidiaries	ABREL Solar Power Limited w	ABREL (MP) Renewables Limited (w.e.f. 16 <sup>th</sup> June 2022) w	ABREL Green Energy Limited (w.e.f. 22 <sup>nd</sup> June 2022) w	ABREL EPCCO Services Limited (w.e.f. 4 <sup>th</sup> April 2022) w	ABREL EPC Limited (w.e.f. 13 <sup>th</sup> June 2022) w	ABREL (R) Projects Limited (w.e.f. 11 <sup>th</sup> November 2022) w
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	176.56	0.01	91.77	0.01	0.25	0.01
Other Equity	(1.53)	(1.52)	(0.40)	0.11	0.35	(0.03)
Total Assets	462.60	93.88	97.19	2.36	571.46	0.01
Total Liabilities	287.57	95.39	5.82	2.24	570.86	0.03
Investments	-	-	-	-	-	-
Revenue from Operations	3.64	-	-	3.95	147.05	-
Profit/(Loss) before Tax	(1.06)	(1.52)	(0.29)	0.15	0.50	(0.03)
Tax Expenses	0.21	-	0.11	0.04	0.13	-
Profit/(Loss) for the Year	(1.28)	(1.52)	(0.40)	0.11	0.37	(0.03)
Proposed/Interim Dividend	-	-	-	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	88.90%	88.90%	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

Sr. No	19	20	21
Name of Subsidiaries	ABREL (Odisha) SPV Limited (w.e.f. 15 <sup>th</sup> June 2022) w	ABREL EPC Limited w	ABREL Century Energy Limited w
Currency	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	19.28	0.01	34.03
Other Equity	(0.22)	2.66	(0.45)
Total Assets	22.09	23.71	117.63
Total Liabilities	3.03	21.04	84.05
Investments	-	-	-
Revenue from Operations	-	219.10	-
Profit/(Loss) before Tax	(0.22)	3.56	(0.45)
Tax Expenses	-	0.89	-
Profit/(Loss) for the Year	(0.22)	2.66	(0.45)
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	88.90%	100.00%	74.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA

₩ Subsidiaries of ABREL

+ 74% shares held by ABREL and 26% shares held by UTCL

Sr. No	22	23	24	25	26	27
Name of Subsidiaries	Aditya Birla Power Composites Limited	UltraTech Cement Limited (UTCL)	Harish Cement Limited <sup>1</sup>	Gotan Lime Stone Khanij Udyog Private Limited <sup>1</sup>	Bhagwati Lime Stone Company Private Limited <sup>1</sup>	UltraTech Nathdwara Cement Limited (UNCL) <sup>1</sup>
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	44.57	288.69	0.25	2.33	0.01	3,400.00
Other Equity	(24.08)	52,648.17	154.59	15.90	1.39	(4,703.40)
Total Assets	92.48	86,900.99	157.20	19.70	2.88	1,621.28
Total Liabilities	71.99	33,964.13	2.36	1.47	1.48	2,924.68
Investments	-	12,859.24	-	-	-	3.07
Revenue from Operations	8.50	61,326.50	-	-	-	2,072.17
Profit/(Loss) before Tax	(20.43)	7,246.37	(β)	(0.64)	(0.22)	92.08
Tax Expenses	-	2,329.49	-	-	-	-
Profit/(Loss) for the Year	(20.43)	4,916.88	(β)	(0.64)	(0.22)	92.08
Proposed/Interim Dividend	-	1,096.95	-	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	51.00%	57.27%	100.00%	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

Sr. No	28	29	30
Name of Subsidiaries	UltraTech Cement Lanka Pvt. Ltd. <sup>1</sup>	UltraTech Cement Middle East Investment Ltd. (UCMEL) <sup>1</sup>	Star Cement Co LLC, Dubai <sup>2</sup>
Currency	SLR in crore	AED in crore	AED in crore
Share Capital (Equity)	50.00	50.61	1,132.32
Other Equity	104.18	39.30	879.33
Total Assets	604.53	188.11	4,208.56
Total Liabilities	450.34	98.20	2,196.91
Investments	-	37.44	837.58
Revenue from Operations	2,088.29	-	-
Profit/(Loss) before Tax	274.38	(1.95)	(42.62)
Tax Expenses	63.94	-	-
Profit/(Loss) for the Year	210.44	(1.95)	(42.62)
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	80.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - SLR 3.9678 = ₹ 1.00 PL - SLR 4.4597 = ₹ 1.00	BS - AED 0.0447 = ₹ 1.00 PL - AED 0.0457 = ₹ 1.00	BS - AED 0.0447 = ₹ 1.00 PL - AED 0.0457 = ₹ 1.00

<sup>1</sup> Subsidiaries of UltraTech Cement Ltd.

<sup>2</sup> Subsidiaries of UltraTech Cement Middle East Investment Ltd.

β Represents that the amount is less than 50,000

Sr. No	31	32	33
Name of Subsidiaries	Arabian Cement Industry LLC, Abu Dhabi <sup>2</sup>	Star Cement Co LLC, Ras Al Khaimah <sup>2</sup>	Al Nakhla Crushers LLC, Fujairah <sup>2</sup>
Currency	AED in crore	AED in crore	AED in crore
Share Capital (Equity)	1.00	22.37	0.20
Other Equity	(1.02)	(22.91)	8.47
Total Assets	17.39	389.03	9.81
Total Liabilities	17.41	389.57	1.14
Investments	-	-	-
Revenue from Operations	28.25	618.22	4.95
Profit/(Loss) before Tax	6.11	133.60	(189.58)
Tax Expenses	-	-	-
Profit/(Loss) for the Year	6.11	133.60	(189.58)
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - AED 0.0447 = ₹ 1.00 PL - AED 0.0457 = ₹ 1.00	BS - AED 0.0447 = ₹ 1.00 PL - AED 0.0457 = ₹ 1.00	BS - AED 0.0447 = ₹ 1.00 PL - AED 0.0457 = ₹ 1.00

Sr. No	34	35	36
Name of Subsidiaries	UltraTech Cement Bahrain Company WLL, Bahrain <sup>2</sup>	Swiss Merchandise Infrastructure Limited <sup>2</sup>	Bhumi Resources (Singapore) PTE. Ltd (Bhumi) <sup>2</sup> \$ \$
Currency	BHD in crore	₹ in crore	USD in crore
Share Capital (Equity)	0.03	6.54	1.51
Other Equity	1.33	289.79	(1.50)
Total Assets	1.69	369.25	0.02
Total Liabilities	0.33	72.92	0.00
Investments	-	-	-
Revenue from Operations	1.18	251.64	-
Profit/(Loss) before Tax	0.12	26.02	(0.01)
Tax Expenses	-	-	-
Profit/(Loss) for the Year	0.12	26.02	(0.01)
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - BHD 0.0046 = ₹ 1.00 PL - BHD 0.0047 = ₹ 1.00	NA	BS - USD 1.00 = ₹ 82.1700 PL - USD 1.00 = ₹ 80.4011

<sup>2</sup> Subsidiaries of UltraTech Cement Middle East Investment Ltd.

\$ \$ These have been classified as assets held for sale.

# Subsidiaries of UltraTech Nathdwara Cement Ltd.

β Represents that the amount is less than 50,000

Sr. No	37	38	39
Name of Subsidiaries	Star Super Cement Industries LLC (SSCILLC)@	Duqm Cement Project International, LLC, Oman (w.e.f. 29th January 2023)@	PT Anggana Energy Resources \$\$
Currency	AED in crore	OMR in crore	IDR in crore
Share Capital (Equity)	3.19	71.46	568.80
Other Equity	2.63	58.79	(471.82)
Total Assets	20.02	447.99	950.40
Total Liabilities	14.20	317.73	853.42
Investments	-	-	-
Revenue from Operations	26.91	588.84	-
Profit/(Loss) before Tax	3.22	70.43	(12.60)
Tax Expenses	-	-	-
Profit/(Loss) for the Year	3.22	70.43	(12.60)
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	UCMEIL - 70%	100% of BHUMI
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - AED 0.0447 = ₹ 1.00	BS - OMR 0.0502 = ₹ 1.00	BS - IDR 182.4660 = ₹ 1.00
	PL - AED 0.0457 = ₹ 1.00	PL - OMR 0.0493 = ₹ 1.00	PL - IDR 187.5470 = ₹ 1.00

Sr. No	40	41	42
Name of Subsidiaries	BC Tradelink Limited ##	Binani Cement Tanzania Limited ##	Binani Cement (Uganda) Ltd ##
Currency	TZS in crore	TZS in crore	UGX in crore
Share Capital (Equity)	β	3.20	β
Other Equity	2.42	249.07	0.59
Total Assets	2.42	252.53	0.59
Total Liabilities	-	0.25	0.01
Investments	-	-	-
Revenue from Operations	-	-	-
Profit/(Loss) before Tax	-	-	-
Tax Expenses	-	-	-
Profit/(Loss) for the Year	-	-	-
Proposed/Interim Dividend	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - TZS 28.4215 = ₹ 1.00	BS - TZS 28.4215 = ₹ 1.00	BS - UGX 45.9097 = ₹ 1.00
	PL - TZS 28.9992 = ₹ 1.00	PL - TZS 28.9992 = ₹ 1.00	PL - UGX 46.4523 = ₹ 1.00

\$\$ These have been classified as assets held for sale.

## Wholly-owned subsidiaries of SSCILLC

@ Wholly-owned subsidiaries of UCMEIL

β Represents that the amount is less than 50,000

Sr. No	43	44	45	46	47	48
Name of Subsidiaries	Aditya Birla Capital Limited (ABCL)	Aditya Birla Housing Finance Limited <sup>!!</sup>	Aditya Birla Finance Limited <sup>!!</sup>	Aditya Birla PE Advisors Private Limited <sup>!!</sup>	Aditya Birla Capital Technology Services Limited <sup>!!</sup>	Aditya Birla Trustee Company Private Limited <sup>!!</sup>
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	2,417.99	501.20	662.10	3.50	1.80	0.05
Other Equity	7,679.95	1,466.80	10,764.11	0.73	(39.23)	0.38
Total Assets	10,282.24	14,072.15	84,122.82	4.30	4.10	0.45
Total Liabilities	184.30	12,104.15	72,696.61	0.07	41.53	0.02
Investments	10,213.91	125.37	3,702.70	3.17	-	0.44
Revenue from Operations	218.56	1,405.25	8,236.87	-	20.85	-
Profit/(Loss) before Tax	184.20	308.52	2,090.18	0.11	0.12	β
Tax Expenses	42.91	67.59	536.43	0.02	-	β
Profit/(Loss) for the Year	141.29	240.93	1,553.75	0.09	0.12	β
Proposed/Interim Dividend	-	-	-	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	54.15%	100.00%	100.00%	100.00%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

Sr. No	49	50	51	52	53	54
Name of Subsidiaries	Aditya Birla Insurance Brokers Limited <sup>!!</sup>	Aditya Birla Money Mart Limited <sup>!!</sup>	Aditya Birla Money Insurance Advisory Services Limited <sup>!!!</sup>	Aditya Birla Capital Digital Limited (w.e.f. 23rd March 2023) <sup>!!!</sup>	Aditya Birla Sun Life Trustee Private Limited <sup>!!</sup>	Aditya Birla Wellness Private Limited <sup>!!</sup>
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	5.13	93.20	4.97	25.00	0.02	11.67
Other Equity	137.34	0.51	9.42	(19.09)	1.41	11.43
Total Assets	297.21	142.23	16.99	25.69	1.70	33.70
Total Liabilities	154.74	48.52	2.60	19.78	0.27	10.60
Investments	152.38	28.70	8.05	-	1.57	17.93
Revenue from Operations	607.14	-	22.06	0.05	0.10	13.00
Profit/(Loss) before Tax	97.26	(3.09)	5.07	(19.09)	0.14	1.98
Tax Expenses	24.68	5.02	0.16	-	0.03	-
Profit/(Loss) for the Year	72.58	(8.11)	4.91	(19.09)	0.11	1.98
Proposed/Interim Dividend	60.02	-	-	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	50.002%	100.00%	100.00%	100.00%	50.85%	51.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	NA	NA	NA	NA

!! Subsidiaries of Aditya Birla Capital Limited

!!! Wholly-owned subsidiaries of Aditya Birla Money Mart Limited

β Represents that the amount is less than 50,000

Sr. No	55	56	57	58
Name of Subsidiaries	Aditya Birla Financial Shared Services Limited <sup>!!</sup>	Aditya Birla Sun Life AMC Limited <sup>!!</sup>	Aditya Birla Sun Life AMC (Mauritius) Limited <sup>^^</sup>	Aditya Birla Sun Life Asset Management Company Pte. Ltd., Singapore <sup>^^</sup>
Currency	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	0.05	144.00	0.01	1.36
Other Equity	2.05	2,364.95	0.11	(0.41)
Total Assets	126.14	2,776.64	0.12	1.01
Total Liabilities	124.04	267.69	β	0.06
Investments	-	2,428.19	-	-
Revenue from Operations	-	1,205.23	0.01	0.44
Profit/(Loss) before Tax	0.36	788.41	(0.01)	(0.48)
Tax Expenses	-	197.48	β	-
Profit/(Loss) for the Year	0.36	590.93	(0.01)	0.09
Proposed/Interim Dividend	-	295.20	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	50.01%	100.00%	100.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA	NA	BS - USD 1.00 = ₹ 82.1825	BS - 1.00 SGD = ₹ 61.8022
			PL - USD 1.00 = ₹ 80.3971	PL - 1.00 SGD = ₹ 58.5565

Sr. No	59	60	61	62	63
Name of Subsidiaries	Aditya Birla Sun Life Asset Management Company Ltd., Dubai <sup>^^</sup>	Aditya Birla Money Limited <sup>!!</sup>	Aditya Birla ARC Limited <sup>!!</sup>	Aditya Birla Stressed Asset AMC Private Limited <sup>!!</sup>	Aditya Birla Sun Life Insurance Company Limited <sup>!!</sup>
Currency	USD in crore	₹ in crore	₹ in crore	₹ in crore	₹ in crore
Share Capital (Equity)	0.31	25.68	5.65	100.00	14.80
Other Equity	(0.21)	(17.18)	103.53	74.01	16.94
Total Assets	0.14	11.61	1,363.42	600.70	38.62
Total Liabilities	0.04	3.10	1,254.24	426.69	6.88
Investments	-	-	403.59	505.46	36.40
Revenue from Operations	0.17	13.45	262.96	82.02	11.63
Profit/(Loss) before Tax	0.01	0.52	46.68	34.84	10.29
Tax Expenses	-	-	12.78	8.76	2.56
Profit/(Loss) for the Year	0.01	0.52	33.90	26.08	7.73
Proposed/Interim Dividend	-	-	-	-	-
Percentage Holding as on 31 <sup>st</sup> March 2023	100.00%	73.60%	100.00%	100.00%	51.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	BS - USD 1.00 = ₹ 82.1825	NA	NA	NA	NA
	PL - USD 1.00 = ₹ 80.3971				

!! Subsidiaries of Aditya Birla Capital Limited

^^ Wholly-owned subsidiaries of Aditya Birla Sun Life AMC Limited

β Represents that the amount is less than 50,000

Sr. No	64
Name of Subsidiaries	Aditya Birla Sun Life Pension Management Limited <sup>***</sup>
Currency	₹ in crore
Share Capital (Equity)	73.00
Other Equity	(18.31)
Total Assets	60.98
Total Liabilities	6.29
Investments	53.89
Revenue from Operations	0.87
Profit/(Loss) before Tax	(5.77)
Tax Expenses	(0.04)
Profit/(Loss) for the Year	(5.73)
Proposed/Interim Dividend	-
Percentage Holding as on 31 <sup>st</sup> March 2023	51.00%
Exchange Rate as on 31 <sup>st</sup> March 2023	NA
*** Wholly-owned subsidiary of Aditya Birla Sun Life Insurance Company Limited	

The financials of all the entities in above annexure are as per their statutory books.

#### Notes:

##### A. Subsidiaries which are yet to commence operations

- ABReL (Odisha) SPV Limited
- ABReL (MP) Renewables Limited
- ABReL Century Energy Limited
- ABReL (RJ) Projects Limited
- ABReL Green Energy Limited
- Grasim Business Services Private Limited

##### B. Subsidiaries which have been liquidated or sold during the year.

- Mukundan Holdings Limited (struck off w.e.f. 27<sup>th</sup> April 2022)
- PT UltraTech Mining Indonesia (Liquidated w.e.f. 14<sup>th</sup> June 2022)
- PT UltraTech Mining Sumatera (Liquidated w.e.f. 14<sup>th</sup> June 2022)
- PT UltraTech Investment Indonesia (Liquidated w.e.f. 14<sup>th</sup> June 2022)
- PT UltraTech Cement Indonesia (Liquidated w.e.f. 14<sup>th</sup> June 2022)
- Murari Holdings Limited (struck off w.e.f. 30<sup>th</sup> September 2022)
- Krishna Holdings Pte. Limited (Liquidated w.e.f. 24<sup>th</sup> November 2022)
- ABCAP Trustee Company Private Limited (struck off w.e.f. 21<sup>st</sup> January 2023)

##### C. Additional Notes

(i) Aditya Birla Sun Life AMC Limited (ABSLAMC) holds 100% management shares of India Advantage Fund Limited (IAFL), having no beneficial interest or ownership on IAFL's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IAFL. Similarly, Aditya Birla Sun Life Asset Management Company Pte Ltd., Singapore holds 100% management shares of International Opportunities Fund - SPC ('IOF') and has no beneficial interest or ownership on IOF's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IOF. Hence these Companies are not included in AOC-1.

## FORM AOC - 1

## Statement containing salient features : Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

## Part B : Joint Ventures/Associates

Sr No	Name of the Associates and Joint Ventures	Latest Audited Balance Sheet Date		Shares of joint venture/Associate held by the company on year end		Amount of Equity Investment in joint venture/ Associate	Extent of Holding (%)	Network attributable to shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	Considered in Consolidation	Not considered in Consolidation
		Date	Date	Nos.	Investment in joint venture/ Associate						
1	Madanpura (North) Coal Company Private Limited <sup>#</sup>	31.03.2023	31.03.2023	1,152,560	1.09	11.17%	0.98	0.06	0.01	0.05	
2	Bhaskarpara Coal Company Limited	31.03.2023	31.03.2023	8,141,050	8.19	47.37%	6.29	0.02	0.01	0.01	
3	AV Group NB Inc.	31.03.2023	31.03.2023	204,750	153.04	45.00%	626.77	(253.89)	(114.25)	(139.64)	
4	Birla Jingwei Fibres Company Limited	31.03.2023	31.03.2023	-	117.40	26.63%	54.05	(46.28)	(12.32)	(33.95)	
5	Bhubaneswari Coal Mining Limited	31.03.2023	31.03.2023	33,540,000	33.54	26.00%	201.18	128.50	33.41	95.09	
6	Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi	31.03.2023	31.03.2023	16,665	0.47	33.33%	0.57	0.12	0.04	0.08	
7	Aditya Group AB	31.03.2023	31.03.2023	50	274.89	33.33%	418.40	124.54	41.51	83.03	
8	AV Terrace Bay Inc. (AVTB) <sup>@</sup>	31.03.2023	31.03.2023	28,000,000	156.36	40.00%	-	(74.79)	-	(74.79)	
9	Aditya Birla Science & Technology Co. Private Limited <sup>#</sup>	31.03.2023	31.03.2023	9,899,500	11.35	49.50%	36.91	16.73	8.28	8.45	
10	Birla Advanced Knits Pvt Ltd	31.03.2023	31.03.2023	25,000,000	25.00	50.00%	23.03	(3.69)	(1.84)	(1.84)	
11	Renew Surya Uday Pvt Ltd <sup>#</sup>	31.03.2023	31.03.2023	5,104,000	29.82	26.00%	31.05	4.13	1.07	3.06	
12	Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C U.A.E <sup>#</sup>	31.03.2023	31.03.2023	149,016,781	837.58	29.79%	513.56	(70.10)	(20.88)	(49.22)	
13	Greenyana Sunstream Private Limited <sup>#</sup>	31.03.2023	31.03.2023	3,217,970	4.18	22.30%	4.18	(0.76)	(0.17)	(0.59)	
14	Aditya Birla Health Insurance Co. Ltd	31.03.2023	31.03.2023	233,006,086	997.53	45.91%	3,032.67	(56.71)	(26.06)	(30.71)	

# Represents Associates

@ The Company has discontinued recognising its share of further losses as it exceeds the Company's interest in AVTB as per Ind AS 28

For and on behalf of the Board of Directors

**Harikrishna Agarwal**  
Managing Director  
DIN : 09288720

**Dr. Santrupt Misra**  
Non-executive Director  
DIN: 00013625

**N. Mohan Raj**  
Independent Director  
DIN: 00181969

**Pavan Kumar Jain**  
Chief Financial Officer

**Sailesh Kumar Daga**  
Company Secretary  
Membership No.: F 4164

Date : 26<sup>th</sup> May 2023  
Place : Mumbai

## Annexure 'B' to the Board's Report

## Independent Auditors' Certificate on Corporate Governance

To the Members of  
**Grasim Industries Limited**

We have examined the compliance of conditions of Corporate Governance by Grasim Industries Limited (the 'Company'), for the year ended 31<sup>st</sup> March 2023, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

## MANAGEMENT'S RESPONSIBILITY

The compliance of the conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation, and maintenance of internal control procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

## AUDITOR'S RESPONSIBILITY

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so

far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements

## OPINION

Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KKC & Associates LLP**  
Chartered Accountants  
(formerly Khimji Kunverji & Co LLP)  
FRN-105146W/W100621

**Gautam Shah**  
Partner  
Membership No.: 117348  
ICAI UDIN: 23117348BGSZIR2644

Place: Mumbai  
Date: 26<sup>th</sup> May 2023

# Annexure 'C' to the Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

## A. CONSERVATION OF ENERGY

### a) The steps taken and impact on conservation of energy

The Company undertakes various initiatives for energy conservation through continuous improvements in operational efficiency, equipment upgradation, modernisation etc.

Following measures have been taken by different Businesses of the Company:

#### i) Viscose Staple Fibre (VSF) Units

- Reuse and recycling waste heat to reduce specific energy consumption:
  - Pre-heating of process liquor streams using waste heat to reduce steam (and coal) consumption.
  - Pre-heating of air streams in fibre and salt dryers using waste heat and steam condensates.
  - Increased usable waste heat by separation of pure vapor condensate from acidic/alkaline steam condensates.
  - Modification of pulp relay systems to reduce steam used for flushing/cleaning.
- Adoption of high efficiency equipment to reduce energy consumption:
  - Adoption of energy efficient pumps and variable frequency drives for various applications including chilling, boiler feed and water treatment.
  - Replacement of HPMV lamps and convention light fittings with LED lights for power reduction.
  - Adoption of high efficiency helical gear box in place of worm and worm wheel reduction gear boxes.
  - Bypassing old inefficient auxiliary pumps through interconnection with new lines and pumps.
  - Replacement of old inefficient chillers with efficient technology, increasing capacity of heat exchangers to avoid heat loss during cleaning.

- Process improvement to conserve energy:
  - Debottlenecking of spinning lines to improve productivity helping in reduction of specific energy consumption.
  - Optimisation of dryer speed for effective use of steam.

#### ii) Chlor-Alkali and Chlorine Derivatives Units

- Remembraning and recoating of fourteen electrolyser resulted in overall power saving.
- Optimisation of chlorine compressor and liquefaction sections of units has resulted in energy conservation.
- Upgraded process equipment, conventional lighting replaced with LED technology, installed Variable Frequency Drive and energy efficient motors (IE-3 grade) motors by replacing the old non-IE standard motors resulting in power savings.
- Reduction in steam consumption by 230 tonne/day by revamping of caustic concentration units (CCUs) and modification of heating, vacuum and steam systems across all sites
- Installation of energy efficient boiler at Veraval has resulted in saving of coal consumption.
- Installed advance process control (automation of coal combustion to improve coal combustion efficiency) to optimise coal usage.

#### iii) Textile Units

- Replacement of old and inefficient motors with energy efficient IE3 grade motors.
- Installed variable frequency drives at humidification towers, zero liquid discharge and in other machines.
- Replacement of electric heating with steam heating at Autoclave Machines in Worsted Plant.
- Replacement of inefficient compressor with energy efficient compressor at Wool Combing.
- Installation of pressure reducing station at fibre Dye House for steam pressure optimisation.

#### iv) Viscose Filament Yarn (VFY) Units

- Improved efficiency of co-gen power plant by optimisation and improved turbine ratio by replacing old rotor with new better designed rotor.
- Energy consumption reduction by upgradation to energy efficient motors, through optimisation such as the use of VFD, speed regulation and mixer motor power optimisation.
- Replacement of conventional tube lights with LED lights and conventional ceiling fans with Brush Less Direct Current fans.
- Steam savings through economiser upgradation of acid plant, waste heat recovery boiler, steam trap system improvement and insulation and installation of PRS system.

#### v) Insulator Units

- Installed recuperator in kilns to recover waste heat thus improving fuel efficiency.
- Modification in kiln burners for improving combustion efficiency of kilns.
- Replacement of high power pumps by efficient air-cooled pumps for energy saving.

#### vi) Speciality Chemicals (Epoxy Polymers & Curing Agents) Units

- Replaced old heating ventilation and air conditioning (HVAC) system by new energy efficient system.
- Installed new Air Compressor (500 Nm<sup>3</sup>) with variable frequency drive and energy efficient motor.

### b) The steps taken by the Company for utilising alternate sources of energy

#### i) Viscose Staple Fibre (VSF) Units

- Utilisation of agri based alternate fuel in captive power plant helped in reduction of CO<sub>2</sub> emissions.

#### ii) Chlor-Alkali and Chlorine Derivatives Units

- Renewable power share has been 8% of total power consumed - Renewable power commissioned during the year at Karwar (Wind) 5.7 MW (Net); Balabhadrapuram (Solar) 2.3 MW (Net) and Ganjam (Solar) 1.3 MW (Net).

### c) The capital investment on energy conservation equipments

Total Investment made of ₹ 53.95 crore.

## B. TECHNOLOGY ABSORPTION

### a) The efforts made towards technology absorption

#### i) Viscose Staple Fibre (VSF) Units

- Design change and process optimisation in waste gas scrubber.
- Adoption of vapour absorption machine (VAM) for chilling.
- AI based visual inspection of spinnerets for quality and reliability improvement.

#### ii) Chlor-Alkali and Chlorine Derivatives Units

- Commissioned 200 TPD Caustic Soda plant at Balabhadrapuram with state-of-the-art German technology (TKIS).
- Installed HCL furnace at Ganjam with Mersean technology; which can generate steam (45 TPD) as well by utilising the heat of reaction while HCL production.

#### iii) Viscose Filament Yarn (VFY) Units

- Development and usage of in-house designed spinneret for production of high Denier Per Filament (DPF) yarn.
- Development of in-house designed hybrid spinneret for improved cross section of yarn.
- Adopting digitalisation techniques (for condition monitoring of critical equipment thus enabling business to get the real time information).

#### iv) Speciality Chemicals (Epoxy Polymers & Curing Agents) Units

- Installed stainless steel wire mesh auto flushing filter in place of cartridge filter resulting in cost reduction, process streamlining and reduction of hazardous waste generation.

## Annexure 'D' to the Board's Report

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of,  
**Grasim Industries Limited**  
Birlagram, Nagda-456331,  
District-Ujjain, Madhya Pradesh.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Grasim Industries Limited having CIN: L17124MP1947PLC000410 (hereinafter called the 'the Company') for the financial year ended on 31<sup>st</sup> March 2023 (the 'Audit Period').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, forms and returns filed, records provided through virtual data room /physically and other records maintained by the Company;
- (ii) Compliance certificates confirming compliance with corporate laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee / Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorised representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the Audit Period covering the financial year ended on 31<sup>st</sup> March 2023, the Company has:

- (i) Complied with the statutory provisions listed hereunder; and
- (ii) Board processes and compliance mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

### 1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

#### We further report that:

- 1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions / clauses of:
  - (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act (FEMA), 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investments and External Commercial Borrowings.
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015\*;
    - (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
    - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021.

### b) The benefits derived like product improvement, cost reduction, product development or import substitution

#### i) Viscose Staple Fibre (VSF) Units

- Reduction in energy consumption with adoption of VAM, design change and process optimisation.
- Improvement in reliability and quality with the use of AI based inspection system.

#### ii) Viscose Filament Yarn (VFY) Units

- Successfully developed microfilament and hybrid yarn in CSY to create new market/ product segment with enriched fabric (better feel) to meet latent demand of consumers.
- Digitalisation techniques are helping to improve quality of product, reliability of equipment and cost optimisation thus moving towards smart manufacturing.

### c) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

#### Chlor-Alkali and Chlorine Derivatives Units

- TKIS technology from Germany used in 200 TPD caustic plant at BB Puram.
- Mersen technology used in HCL furnace having steam generation facility.

### d) The expenditure incurred on Research and Development:

Expenditure	₹ in crore
For In-house R&D	
a. Capital	14.39
b. Revenue	83.38
Contribution to Scientific Research Company	26.68
<b>Total R&amp;D Expenses</b>	<b>124.45</b>

### C. Foreign Exchange Earnings and Outgo

	₹ in crore
• Foreign Exchange used :	10,715.45
• Foreign Exchange earned :	3,206.60

\*The Company has also maintained a Structured Digital Database ("SDD") pursuant to the requirement of regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(vi) Secretarial Standards relating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India (Secretarial Standards) and notified by the Central Government under Section 118 (10) of the Act which have mandatory application.

1.2 During the period under review:

(i) The Company has complied with all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.

(ii) Complied with the applicable provisions / clauses of:

(a) FEMA to the extent of Overseas Direct Investment and External Commercial Borrowings mentioned under paragraph 1.1 (iv);

(b) The Secretarial Standards on meetings of Board of Directors (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board, Committees constituted by the Board held during the year, the 75<sup>th</sup> Annual General Meeting (AGM) held on 29<sup>th</sup> August 2022 and the postal ballots conducted by the Company which concluded on 21<sup>st</sup> March 2023. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the Board/ Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

1.3 During the audit period under review, provisions of the following Acts /Regulations were not applicable to the Company

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(iii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following

Statute which is applicable to the Company: -

a) The Environment Protection Act, 1986;

## 2. BOARD PROCESSES OF THE COMPANY:

We further report that:

2.1 The Board of Directors of the Company as on 31<sup>st</sup> March 2023 comprised of:

(i) One Executive Director -Mr. Hari Krishna Agarwal (DIN: 09288720)

(ii) Six Non-executive Non-independent Directors - Mr. Kumar Mangalam Birla (DIN: 00012813), Smt. Rajashree Birla (DIN: 00022995), Ms. Ananyashree Birla (DIN: 06625036), Mr. Aryaman Vikram Birla (DIN: 08456879), Mr. Raj Kumar (DIN: 06627311) and Dr. Santrupt Misra (DIN: 00013625).

(iii) Seven Non-executive Independent Directors, including one Woman Independent Director, Ms. Anita Ramachandran (DIN: 00118188), Mr. N. Mohan Raj (DIN: 00181969), Mr. Yazdi Piroj Dandiwal (DIN: 01055000), Dr. Thomas Martin Connelly Jr. (DIN: 03083495), Mr. V. Chandrasekaran (DIN: 03126243), Mr. Adesh Kumar Gupta (DIN: 00020403) and Mr. Cyril Shroff (DIN: 00018979).

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

1. Resignation of Mr. Ashish Adukia as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 14<sup>th</sup> August 2022.

2. Appointment of Mr. Pavan Kumar Jain as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 15<sup>th</sup> August 2022 at the Meeting of Board of Directors held on 16<sup>th</sup> June 2022.

3. Appointment of Ms. Anita Ramachandran (DIN: 00118188) as an Independent Director of the Company to hold office for a second term of five consecutive years with effect from 14<sup>th</sup> August 2023 up to 13<sup>th</sup> August 2028 at 75<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> August 2022.

4. Re-appointment and continuation of Smt. Rajashree Birla (DIN: 00022995) as a Non-Executive Director of the Company, liable to retire by rotation at 75<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> August 2022.

5. Re-appointment and continuation of Mr. Shailendra Kumar Jain (DIN: 00022454) as a Non-executive Director of the Company, liable to retire by rotation at 75<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> August 2022.

6. Resignation of Mr. Shailendra Kumar Jain (DIN: 00022454) as a Non-executive Director of the Company with effect from 1<sup>st</sup> February 2023.

7. Appointment of Ms. Ananyashree Birla (DIN: 06625036) and Mr. Aryaman Vikram Birla (DIN: 08456879) as Additional Directors (Non-Executive and Non-independent Director), on the Board of the Company with effect from 6<sup>th</sup> February 2023. Subsequently their appointment as Directors, liable to retire by rotation, has been approved by the members of the Company through postal ballot on 21<sup>st</sup> March 2023.

8. Appointment of Mr. Yazdi Piroj Dandiwal (DIN: 01055000) as an Additional Director (Non-Executive and Independent Director) on the Board of the Company with effect from 6<sup>th</sup> February 2023. Subsequently his appointment as an Independent Director has been approved by the members of the Company through postal ballot on 21<sup>st</sup> March 2023 for a term of five consecutive years with effect from 6<sup>th</sup> February 2023 up to 5<sup>th</sup> February 2028.

2.3 Adequate notice(s) with Agenda and the detailed notes to Agenda of at least seven days was given to all the Directors to enable them to plan their schedule for the meetings of the Board and the Committees constituted by the Board, and where the meetings were held at shorter notice, due compliance was ensured, as required under the Act and the Secretarial Standard on meetings of the Board of Directors.

2.4 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.

2.5 We note from the minutes examined that, at the Board meetings held during the year:

(i) Decisions were taken through the majority of the Board; and

(ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

## 3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

## 4. SPECIFIC EVENTS / ACTIONS

**4.1 During the year under review, the following specific events/ actions, having a major bearing on the Company's affairs took place: -**

1. Allotment of 10,000 7.5% Rated, Listed, Unsecured Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 1,000 crore on private placement basis, approved by the Members of Stakeholders Relationship Committee through resolution passed by circulation on 10<sup>th</sup> June 2022.

2. Approval of Board of Directors has been obtained at its meeting held on 19<sup>th</sup> July 2022 for entering into B2B e-commerce Platform for the Building Materials Segment and to make initial Investment of up to ₹ 2,000 crore over the 5 years, primarily towards Capital Expenditure in B2B e-commerce business.

3. Approval of Board of Directors has been obtained at its meeting held on 12<sup>th</sup> August 2022 to invest up to ₹ 525 crore as an additional equity share capital in solar subsidiaries in one or more tranches, for setting up of 300 MW and 200 MW (Greenshoe Option) aggregating to 500 MW Solar Photovoltaic Projects in the state of Gujarat.
4. The Board of Directors at its meeting held on 19<sup>th</sup> July 2022 and the members of the Company at 75<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> August 2022 approved, *inter alia*, the following:
- Adoption of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022.
  - Extending the benefits of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022 to the employees of the group companies, including subsidiary and associate companies of the Company.
  - Approval of (a) the use of the trust route for the implementation of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022 (the Scheme 2022); (b) secondary acquisition of the equity shares of the Company by the trust; and (c) grant of financial assistance/provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2022.
5. Incorporation of New Wholly-owned Subsidiary of the Company in the name Grasim Business Services Private Limited on 4<sup>th</sup> January 2023, was approved in the meeting of Board of Directors held on 14<sup>th</sup> November 2022.
6. Approval of Board of Directors has been obtained at its meeting held on 14<sup>th</sup> November 2022 to increase in borrowing limits of the Company from ₹ 10,000 crore to ₹ 12,500 crore.
7. Allotment of 10,000 7.63% Rated, Listed, Unsecured Redeemable NCDs aggregating to ₹ 1,000 crore on private placement basis, approved by the Members of Stakeholders Relationship Committee through resolution passed by circulation on 1<sup>st</sup> December 2022.
8. Allotment of 1,36,700 Equity Shares against exercise of options by the grantee(s) under Employee Stock Option Schemes of the Company during the financial year 2022-23.
9. CCI vide its order dated 16<sup>th</sup> March 2020 ("Order") held that the Company had violated Section 4 (abuse of dominance) of the Competition Act, 2002 ("Act"). Besides cease and desist, CCI imposed a penalty of ₹ 301.62 crore. The Company had obtained a stay by depositing ₹ 30 crore with Hon'ble NCLAT on 11<sup>th</sup> November 2020, which has been extended from time to time. The matter was fixed for hearing on 28<sup>th</sup> February 2023.
10. CCI vide its order dated 3<sup>rd</sup> June 2021, levied a penalty of ₹ 3.49 crore on the Company (@ ₹ 1 lakh per day for a period of 349 days and continuing thereafter) for non-compliance with the order passed on 16<sup>th</sup> March 2020, against which the Company has filed a writ petition before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court directed that CCI will not take any precipitative steps against the Company till the next date of hearing. The matter was fixed for hearing on 7<sup>th</sup> March 2023.
11. All the cases pursuant to Whistle-Blower and POSH has been closed except one Whistle-Blower case and two POSH cases for which investigation is in process.

For **BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
[PR No.: 637/2019]

**Avinash Bagul**  
Partner  
FCS No.: F5578  
COP No.: 19862  
UDIN: F005578E000364464  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023

\*The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

#### ANNEXURE A TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2023

To,  
**The Members of,  
Grasim Industries Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

- The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
- We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
- We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
- We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.

- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
- Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
[PR No.: 637/2019]

**Avinash Bagul**  
Partner  
FCS No.: F5578  
COP No.: 19862  
UDIN: F005578E000364464

Place: Mumbai  
Date: 26<sup>th</sup> May 2023

# Annexure 'E' to the Board's Report

## ANNUAL REPORT ON CSR ACTIVITIES

### 1. Brief outline on CSR Policy of the Company:

The Company is actively contributing to the social and economic development of the communities in which it operates. The Company is doing so in sync with the United Nations Sustainable Development Goals to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

The Company's Corporate Social Responsibility ('CSR') policy conforms to the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, Government of India.

### 2. Composition of CSR Committee:

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the tenure	Number of meetings of CSR Committee attended during the tenure
1.	Smt. Rajashree Birla	Chairperson, Non-executive Director	2	2
2.	Ms. Anita Ramachandran	Member, Independent Director	2	2
3.	Mr. Hari Krishna Agarwal	Member, Managing Director	2	2
4.	Mr. Shailendra Kumar Jain*	Member, Non-executive Director	1	1

\* Ceased to be a Member of the Committee w.e.f. 1<sup>st</sup> February 2023

Dr. Pragnya Ram, Group Executive President – CSR is a Permanent Invitee to the CSR Committee.

### 3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of the CSR Committee: <https://www.grasim.com/investors/corporate-governance>

CSR Policy and Projects: <https://www.grasim.com/investors/policies-and-code-of-conduct>

### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

The Company had appointed independent agency to undertake impact assessment for eligible CSR projects of the Company.

The detailed reports of impact assessment carried out in pursuance of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 by the independent agency can be accessed on the Company's website at <https://www.grasim.com/sustainability/corporate-social-responsibility> Executive summary of the aforesaid impact assessment reports are attached as **Annexure** to this report.

5.	(a)	Average net profit of the Company as per sub-section (5) of Section 135:	₹ 1,497.56 crore
	(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135:	₹ 29.95 crore
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:	Nil
	(d)	Amount required to be set-off for the financial year, if any:	Nil
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹ 29.95 crore

6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹ 38.66 crore*
	(b)	Amount spent in Administrative Overheads:	₹ 0.98 crore
	(c)	Amount spent on Impact Assessment, if applicable:	₹ 0.21 crore
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹ 39.85 crore

\*Additional ₹ 20.03 crore (including Administrative Overheads) spent towards voluntary CSR activities.

### (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135#		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
The Company has spent ₹ 34.16* crore towards obligatory CSR activities and additionally ₹ 20.03 crore as voluntary CSR activities (including of administrative overheads).	₹ 4.50 crore	27.04.2023	-	-	-

\*Excludes amount spent on Impact Assessment of ₹ 0.21 crore and CSR of ₹ 4.50 crore which remains unspent and classified as ongoing projects by the Board and it has been transferred to separate bank account in April 2023.

#The Company has spent over the obligatory requirement of two percent of average net profit of the Company as per Section 135(5). Additionally, a sum of ₹ 4.50 crore was classified as ongoing projects.

### (f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ in crore)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	29.95
(ii)	Total amount spent for the Financial Year*	54.19
(iv)	Excess amount spent for the Financial Year [(ii)-(i)]#	24.24
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(vi)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

\*Excludes amount spent on Impact Assessment of ₹ 0.21 crore and CSR of ₹ 4.50 crore which remains unspent and classified as ongoing projects by the Board and it has been transferred to separate bank account in April 2023.

#The Company shall not utilise the excess CSR amount spent in FY23 towards set-off of CSR expenses in succeeding three financial years.

### 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	FY - 1 [2021-22]#	4.75 crore	-	4.75 crore	-	-	-	-
2.	FY - 2 [2020-21]	-	-	-	-	-	-	-

## ANNEXURE

## Executive Summary of Impact Assessment Reports

Grasim Industries Limited ('Grasim' or 'the Company') conducts its CSR engagements under the aegis of Aditya Birla Centre for Community Initiatives and Rural Development. Its articulated vision centres on inclusive growth and freedom from poverty, pivoted on the UNSDG Goals. Its focus areas are Education, Healthcare, Rural Development, sustainable livelihood, infrastructure development, and social reform. This Summary based on qualitative and quantitative research represents Grasim's endeavours to foster Education, Healthcare and Rural Development:

## 1. EDUCATION

The Company's activities span 70 villages and reach out to more than 10,000 students. It aims to stoke learning and curiosity among children through its formal as well as informal Schools. During the Covid-19 pandemic, Grasim extended significant support to schools to ensure the continuance of studies.

Digital literacy classes including the installation of digital boards in classrooms generated great interest in the course curriculum with E-literacy programmes benefiting more than 4,000 students. In Nagda all the 3 Aditya Birla Schools were digitally equipped with 57 classrooms having digital boards. More than 40 percent of the students in these schools at Nagda comprised of girls. Furthermore To increase the enrolment of girls in schools and reduce the number of dropouts, many initiatives were floated by the Company.

The assessment study covered more than 1,000 students, out of which 50% were girls. More than 150 teachers and around 200 parents from ABG schools, primary schools, and Anganwadis participated in the assessment. The study adopted a mixed method approach leveraging both, quantitative and qualitative data. It was conducted across 24 villages in Nagda, Kharach, and Veraval covering Anganwadis, Primary schools, and Aditya Birla schools through in-person interactions. To gain an insight into the scale and depth of involvement and its impact, Interviews and Focus Group Discussions were held with multiple stakeholders such as parents, teachers, and implementing partners.

The majority of the parents and teachers stated that the focus of the students in pursuing higher education is increasing. Approximately 86% respondents showed keen interest in pursuing higher education rather than opting for a job or joining their family business. Grasim believes that Girls' education plays a vital role in women's empowerment and a stable and successful society. To push this forward Grasim makes efforts to foster the girl child and provide equal opportunity to them. 94% of the girls affirmed that there was no discrimination whatsoever in schools and equal opportunities irrespective of gender is the norm.

## The key findings of the study are as indicated:

- 75% of students opined that they feel more involved in the education process due to innovative and interactive teaching provided through digital boards.
- 72% of teachers expressed that the participation of girls has increased in cultural activities like sports and arts.
- Teachers received Special training, advancement of teaching and online classes, and extra logistic support for conducting online classes.
- 95% of respondents expressed that because of the career guidance the students are gaining confidence and are appearing for the competitive exams and their grades have improved due to the extra efforts.
- Due to the scholarship programme for the girl child, 50% of families let their daughters continue to study.
- More than 75% of the students reported having substantially efficient and effective facilities in schools.
- The medical check-up initiative at Anganwadis shows a shift in the outlook of parents about the health awareness of their kids'. Early detection of health issues in their child has helped them manifold with both preventive and curative measures.

Overall, Grasim's work in the field of Education has been impressive. Grasim should continue with all of its measures and scale it to a higher level, bearing in mind the technological shifts and advancements in this field.

## 2. HEALTHCARE

Grasim has always looked upon the Healthcare needs of communities in proximity to its plants as a responsibility. Its cohort of employees are drawn from among the communities. Its healthcare initiatives benefit a populace of over 2,00,000 in Nagda, Kharach, Veraval, Ujjain, and Pune. The Company has accorded healthcare services at very nominal costs to people from more than 350 villages in its 4 hospitals. Most of these people live on the fringes of society given the lack of accessible healthcare services, the 150 bedded hospital in Nagda caters to critical needs of patients coming from a radius of as far as 100 km.

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
3.	FY - 3 [2019-20]	-	-	-	-	-	-	-
<b>Total</b>		<b>4.75 crore</b>	<b>-</b>	<b>4.75 crore</b>				

# The Company has spent over the obligatory requirement of two percent of average net profit of the Company as per Section 135(5) in FY 2021-22. Additionally, a sum of ₹ 4.75 crore was classified as ongoing projects.

#### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year (Yes/ No): None

If Yes, enter the number of Capital Assets created/ acquired: Not applicable

#### 9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 – Not Applicable

Mumbai, 26<sup>th</sup> May 2023

**Harikrishna Agarwal**  
Managing Director  
DIN: 09288720

**Rajashree Birla**  
Chairperson, CSR Committee  
DIN: 00022995

Grasim's healthcare intervention encompasses holding regular health camps onsite and through mobile health camps, advanced medical equipment, and innovations such as Robotic surgery for the treatment of cancer and more.

During the pandemic, Grasim rendered exemplary services. It has distributed 2.50 lakh masks, 150 PPE kits, conducted more than 4,500 RTPCR tests in Nagda, Ujjain, Veraval, and Kharach, provided 80,500 PPE kits and 2 lakh N95 masks to Brihanmumbai Municipal Corporation.

During the assessment process, more than 500 beneficiaries participated. These comprised of doctors, medical camp workers, other staff members, patients, and their family members. We engaged in In-depth interviews and Focus Group Discussions.

During the study, it was observed that specialist doctors in different fields were engaged in providing requisite healthcare facilities to patients. The Company organised 61 health camps benefitting over 3400 patients. 84% of patients from Veraval benefitted with amazing vision after cataract surgery. The Tuberculosis awareness, HIV aids Awareness and vaccination programmes made unique impact as people became conscious about their choices as well as responsible with regular check-ups and vaccinations.

#### The key highlights of the study are as under:

- 81% of the respondents expressed receiving lifesaving medical facilities.
- 76% of the respondents from Veraval were more than satisfied, as they received adequate medical facilities. They further highlighted that since these were accorded within a distance of 5 Km from their place of residence, it resulted in saving the travel cost, time, and efforts besides getting timely treatment.
- Medical Service at the doorstep was another positive. It made a huge difference to the elderly villagers. They did not have to lose their day earnings, which gave them a sense of comfort.

- Accessibility and convenience increased for all patients, especially for pregnant women while vaccination health camp support proving helpful to newly born kids.
- 86% of the respondents preferred Grasim's hospitals because of ease of appointment, while 81% of the respondents were pleased to receive immediate treatment.
- Use of robotic instruments in cancer treatment has resulted in reduced surgeons' fatigue and increased efficiency.
- During the pandemic, the timely and proactive intervention provided much-needed support to beneficiaries in difficult situations.
- 90% of the respondents gave a rating ranging between 'Good' to 'Excellent' for the quality and efficiency of doctors in the hospitals.

In sum, Grasim's medical services as part of its CSR engagement have gone a long way in communities looking upon Grasim as a Force for Good.

### 3. RURAL DEVELOPMENT

Rural Development has supported ~70 villages in the vicinity of Nagda and Veraval. The project aims to provide livelihood in a locally appropriate and environmentally sustainable manner in alignment with SDGs. For the development of the rural areas, Grasim has undertaken multiple initiatives namely: Pashudhan Vikas for developing the infrastructure related to animals and animal husbandry, Organic Farming along with support to the farmers on plantation and irrigation techniques, Water Conservation, Safe drinking water, women empowerment and Aadyam for preserving the cultural heritage of the Country.

#### The brief highlights of the outcome of the rural development projects are:

Name of the project	Impact highlight of the project	Aligned SDG
<b>Pashudhan Vikas Kendra (PVK)</b>	Conducted <b>3 Cattle Breed Improvement Projects through Artificial Insemination (AI)</b> in Nagda. The project was done on overall <b>2538 cattle</b> and <b>859 Calves</b> were born through AI.	SDG - 1, 2 and 8
<b>Organic farming</b>	Referring to organic Farming intervention, <b>~250 farmers from 15 villages</b> were trained by Grasim on Zero Budget Farming and Vermicompost <b>in Veraval. 7200 Saplings</b> were planted (Fruits & Forest Species) <b>in Nagda.</b>	SDG - 1,2,8 and 13
<b>Women Empowerment</b>	Aiming toward women's empowerment, Grasim imparted sewing training and supported more than <b>300 women</b> of Nagda and Veraval.	SDG - 4, 8 and 10
<b>Water conservation</b>	Grasim has carried out Water Conservation activity in Nagda where One Pond was constructed in Parmarkhedi village and Check dam renovations were done in 5 villages resulting in a total capacity of 50 MCFT.	SDG - 6 and 13
<b>Safe Drinking water</b>	Support for safe drinking water facility was provided in 5 villages.	SDG -3 and 6
<b>Aadyam</b>	Support to traditional artisans in Bhuj, Varanasi, Pochampally, Gadwal, Kashmir, and Bhadohi. Onboarded 170 artisans through D2A approach.	SDG - 8 and 11

Sample Size: During the impact assessment, 90 women participated from women empowerment projects, out of which approximately 60 women beneficiaries were in the age group of 21 to 40 years. 110 farmers participated in the study for the projects impacting farming community and animal husbandry.

#### Impact Assessment

- Pashudhan Vikas Kendra (PVK):** Approximately 60% of the respondents reported that their income has increased above ₹ 10,000 per month due to an increase in production of milk and improvement of its quality. Approx. 80% reported having decreased monthly expenditure per cattle after using facilities at PVK. As a part of AI exercise, 3,500 cattle were provided with Micro-nutrient support and animal Vaccination. 89% of beneficiaries reported having increased the number of cattle after using the facility of PVK.
- Water conservation:** The agricultural and civic community uses more than 45% of total water storage created by the Company covering more than 1.5 lakh population. The awareness programmes organised by the Company to address the issue of water scarcity and overall to create environmental awareness were attended by 95% of the respondents. 92% of respondents reported that check dams have increased the availability of water for most of the year.
- Organic farming:** Around 1,400 farmers were covered for on-field demonstration and training. 96% of the respondents reported having reduced their expenditure due to self-sufficiency in Vermicomposting method. 68% of the respondents have even started earning additional income due to this activity from the year of intervention. 95% of respondents reported that the project helped them increase yield in their farms successfully.

- Safe Drinking water:** More than 70% of the respondents during the assessment reported using the water from pipe, borewell, wells, and river directly without filtering. Installation of the RO plant has provided clean drinking water which has saved the beneficiaries from diseases such as cholera, diarrhea, typhoid, dysentery, and other waterborne diseases. It has helped villagers in saving time, effort & money.

- Women empowerment:** During Covid 19, 3.25 lakh face Masks were stitched by Women earning around ₹ 3,000 per month. As an impact of the skill development, 99% of the respondents stated that they enjoy tailoring work. 78% of beneficiaries responded that they get enough stitching work due to their skills acquired through Grasim's programme. 95% of the respondents proudly mentioned that they feel respected within the community because of their earning capabilities. As an impact of skill development, approx. 400 SHGs have been formed having more than 5,000 members.

- Aadyam - Promotion of art and culture:** The project has helped in creation of self-sustaining ecosystem, improvement in quality of life of weavers, and providing visibility to artisans' craft. During last three years, number of looms increased from 60 to 168, clusters from 3 to 6, and units produced from 1849 units to 4468. Aadyam has helped in preserving traditional weaving forms by upskilling, design, marketing, and entrepreneurship, besides creating sustainable livelihood options.

The Company has already taken initiatives by forming self-help groups for women and FPOs for farmers which will give much needed sustainability to the rural development projects.

# Annexure 'F' to the Board's Report

**GRASIM INDUSTRIES LIMITED, AN ADITYA BIRLA GROUP COMPANY, HAS ADOPTED THE EXECUTIVE REMUNERATION PHILOSOPHY/POLICY AS APPLICABLE ACROSS GROUP COMPANIES. THIS PHILOSOPHY/POLICY IS DETAILED BELOW:**

## ADITYA BIRLA GROUP: EXECUTIVE REMUNERATION PHILOSOPHY/POLICY

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programmes that align executive rewards – including incentive programmes, retirement benefit programmes, promotion and advancement opportunities – with the long-term success of our stakeholders.

### Our Business and Organisational Model

Our Group is a conglomerate and organised in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

#### I. Objectives of the Executive Remuneration Programme

Our executive remuneration programme is designed to attract, retain, and reward talented executives, who will contribute to our long-term success, and thereby build value for our shareholders.

Our executive remuneration programme is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis; and
2. Emphasise "Pay for Performance" by aligning incentives V. with business strategies to reward executives, who achieve or exceed Group business and individual goals.

#### II. Executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company;
2. Key Managerial Personnel: Chief Executive Officer and equivalent e.g., Deputy Managing Director, Chief Financial Officer and Company Secretary; and
3. Senior Management.

#### III. Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that the pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay, and build in as appropriate for decision-making.

#### IV. Executive Pay Positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long-term incentive pay outs at target performance) and target the total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognise the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that the target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

#### V. Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash Compensation (Basic Salary + Allowances); (ii) Annual Incentive Plan; (iii) Long-Term Incentives; and (iv) Perks and Benefits.

#### Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to the relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/focus areas for the business.

#### Long-Term Incentives:

Our long-term incentive plans incentivise stretch performance, link executive remuneration to sustained long-term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long-term incentive vehicle, to motivate and retain our executives.

#### VI. Performance Goal Setting

We aim to ensure that, for both annual incentive plans and long-term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan pay-out is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

#### VII. Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefits plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

#### Other Remuneration Elements:

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives, including continuity of service across the Group Companies.

We limit other remuneration elements, for example, Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale, and generally do not provide for any tax gross-ups for our executives.

#### Risk and Compliance:

We aim to ensure that the Group's remuneration programmes do not encourage excessive risk taking. We review our remuneration programmes for factors, such as remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

#### Clawback Clause:

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013, and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him/her as per restatement of financial statements, pertaining to the relevant performance year.

#### Implementation:

The Group and Business Centre of Expertise teams will assist the Nomination and Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's-length", agreements entered into as needs arise in the normal course of business.

## Annexure 'G' to the Board's Report

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

#### a The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2022-23 are as under:

Sr. No.	Name of the Directors / Key Managerial Personnel ('KMP')	Designation	Remuneration <sup>(b)</sup> of Director/KMP for FY 2022-23 (₹ in lakh)	Ratio of remuneration of each Director to the median remuneration of employees for the FY 2022-23	% increase/ (decrease) in remuneration in the FY 2022-23
1	Mr. Kumar Mangalam Birla	Chairman, Non-executive and Non-independent Director		Not Applicable	
2	Smt. Rajashree Birla <sup>i</sup>	Non-executive and Non-independent Director	144.00	29.94	(10%)
3	Ms. Ananyashree Birla <sup>ii</sup>	Non-executive and Non-independent Director	2.50	0.52	Not Applicable
4	Mr. Aryaman Vikram Birla <sup>ii</sup>	Non-executive and Non-independent Director	2.50	0.52	Not Applicable
5	Ms. Anita Ramachandran	Independent Director	28.50	5.92	2%
6	Mr. N. Mohanraj	Independent Director	33.50	6.96	(16%)
7	Mr. Yazdi Piroj Dandiwala <sup>iii</sup>	Independent Director	3.50	0.73	Not Applicable
8	Dr. Thomas M. Connelly, Jr.	Independent Director	28.00	5.82	-
9	Mr. V. Chandrasekaran	Independent Director	30.00	6.24	-
10	Mr. Adesh Kumar Gupta	Independent Director	32.00	6.65	39%
11	Mr. Cyril Shroff	Independent Director	9.00	1.87	(44%)
12	Mr. Shailendra Kumar Jain <sup>iv</sup>	Non-executive and Non-independent Director	26.00	5.41	(21%)
13	Mr. Raj Kumar <sup>v</sup>	Non-executive and Non-independent Director	12.50	2.60	14%
14	Dr. Santrupt Misra	Non-executive and Non-independent Director	18.00	3.74	(28%)
15	Mr. Harikrishna Agarwal <sup>vi</sup>	Executive Director, Managing Director	999.53	207.79	Not Applicable
16	Mr. Ashish Adukia <sup>vii</sup>	Chief Financial Officer	470.76	Not Applicable	Not Applicable
17	Mr. Pavan Kumar Jain <sup>viii</sup>	Chief Financial Officer	176.18	Not Applicable	Not Applicable
18	Mr. Sailesh Kumar Daga <sup>ix</sup>	Company Secretary and Compliance Officer	147.43	Not Applicable	11%

#### Note:

Percentage increase / decrease in remuneration is not calculated for Directors / KMP, who were with the Company for part of the year 2022-23.

- Smt. Rajashree Birla, leads the entire CSR initiatives and monitors its implementation for the Company. She is deeply involved in identifying and planning the areas of social impact and then closely monitors the progress of such CSR activities. For her exemplary contribution, she has won many awards and accolades. The most outstanding is the "Padma Bhushan" Award bestowed on her by the Government of India in 2011 in the area of "Social Work".
- Appointed as Non-executive and Non-independent Director w.e.f. 6<sup>th</sup> February 2023.
- Appointed as an Independent Director w.e.f. 6<sup>th</sup> February 2023.
- Resigned as Non-executive and Non-independent Director w.e.f. 1<sup>st</sup> February 2023.
- Remuneration for FY 2022-23 is payable to LIC of India.
- He was appointed as the Managing Director w.e.f. 1<sup>st</sup> December 2021. He was paid remuneration in the capacity of Managing Director for part of the previous financial year i.e. 2021-22, hence, percentage increase/(decrease) in remuneration is not comparable.
- He was the Chief Financial Officer of the Company up to 14<sup>th</sup> August 2022. He was paid remuneration in the capacity of Chief Financial Officer for part of the financial year i.e. 2022-23, hence, percentage increase/(decrease) in remuneration is not comparable.
- He was appointed as Chief Financial Officer of the Company w.e.f. 15<sup>th</sup> August 2022. He was paid remuneration in the capacity of Chief Financial Officer for part of the financial year i.e. 2022-23, hence, percentage increase/ (decrease) in remuneration is not comparable.
- The remuneration includes variable pay and one time payouts i.e. Award, leave encashment and dues received from previous Aditya Birla Group employer, hence for determining the percentage increase in remuneration, the same are excluded for both the years.

- Remuneration to Non-executive and Independent Directors includes commission payable for the financial year ended 31<sup>st</sup> March 2023, which is subject to the adoption of the financial statements for the year ended 31<sup>st</sup> March 2023 by the members of the Company at the Annual General Meeting. Sitting fees paid to the Directors is excluded.
- The percentage increase in the median remuneration of the employees in the FY 2022-23 stands at 14.54%.
- There were 24,455 permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2023.
- Average percentage increase in the salaries of employees, other than the managerial personnel, for the FY 2022-23 was 8.10%. The average percentage increase in the salaries of the managerial personnel for the FY 2022-23 was 11%.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Philosophy / Policy of the Company.

For and on behalf of the Board  
of Grasim Industries Limited

**Kumar Mangalam Birla**  
Chairman  
(DIN: 00012813)

Date : 26<sup>th</sup> May, 2023  
Place: New Delhi

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Aditya Birla Group ("Group" / "ABG") is committed towards the adoption of the best Corporate Governance practices and its adherence in the true spirit, at all times. As a part of the Group, at Grasim Industries Limited ("Your Company" / "Grasim") we feel proud to belong to a Group whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in our Group Chairman's Vision, Group's purpose and Group's values mentioned below:

*"At the core, good governance is about ensuring fair outcomes. The prerequisite to achieving a fair outcome in the eyes of all stakeholders, is to first build trust. Trust is the foundation of corporate governance."*

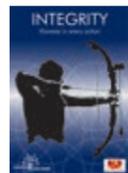
**Mr. Kumar Mangalam Birla**  
Chairman, Aditya Birla Group

*"To enrich lives, by building dynamic and responsible businesses and institutions, that inspires trust."*

### ABG Group Purpose

Your Company is defined and driven by its unique set of 'Power of Five' values. These values-based approach is part of your Company's culture and ethics, which helps to pursue its purpose and achieve excellence in corporate governance.

The Power of Five Values are encapsulated as:



**INTEGRITY**  
Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity, but encompasses all other forms as are generally understood.



**COMMITMENT**  
On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.



**PASSION**  
An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.



**SEAMLESSNESS**  
Thinking and working together across functional groups, hierarchies, businesses and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.



**SPEED**  
Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.

Corporate Governance refers to a set of laws, regulations and good practices that enables an organisation to perform its business efficiently and ethically to generate long-term wealth and create value for all its stakeholders. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency, accountability, sustainability and safety across all business practices. Good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

Corporate Governance has always been intrinsic to the management of the business affairs of your Company. In line with the above philosophy, your Company continuously strives for excellence and focuses on enhancement of long-term stakeholder value through adoption of best governance and disclosure practices.

Your Company's governance rests on the highest standards of business ethics and corporate governance. The governance philosophy of the Group and your Company rests on following basic tenets viz.

- **Accountability and Interests:** Our practices ensures accountability towards all stakeholders. And protection of minority interests and rights.
- **Monitoring:** Effective monitoring and reviewing the risk management framework and associated practices is ensured.
- **Control:** Effective control systems are maintained to ensure efficient conduct of business and discharge of responsibilities.
- **Ethics:** Our practices ensure that we maintain high standards of ethics.

- **Transparency and Disclosure:** Transparency, integrity and disclosures are keys to corporate governance practices. Our practices ensure that we make timely and accurate disclosures.
- **Review:** Regular review of processes and management systems for improvement are ensured.

Your Company confirms compliance with the Corporate Governance requirements as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), the details of which are as set out hereunder:

## BOARD OF DIRECTORS

### Composition of Board of Directors (Board)

Your Company comprises of eminent and distinguished personalities with proficiency and vast experience in diversified sectors with an optimum mix of management and financial experts thereby ensuring the best interest of the stakeholders of the Company. Your Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 ('the Act') and the Listing Regulations. The Directors possess requisite qualification, experience and expertise in their respective functional areas, which enable them to discharge their responsibilities and provide effective leadership to the management. In designing the Board composition, number of factors are considered, which include educational background, professional experience, gender, skills and knowledge among others.

The Company's Board comprises of 14 (fourteen) Directors, 13 (Thirteen) Non-executive Directors out of which 7 (Seven) are Independent Directors and 1 (One) Executive Director. Your Company's Board comprises of 3 (Three) Women Directors out of which 1 (One) is an Independent Director. The position of Chairman

and Managing Director are held by different individuals, where Chairman of the Board is a Non-executive Chairman.

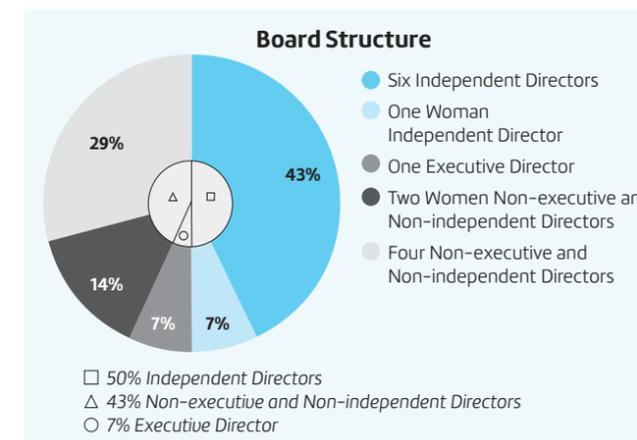
None of the Directors of the Company, is on the Board of more than 10 public limited companies or acts as a Director/Independent Director in more than 7 listed entities. None of the Director on the Board, who is a Whole Time Director / Managing Director serves as an Independent Director in more than 3 listed entities. Further, none of the Director is a Member of more than 10 Committees or Chairperson of more than 5 Committees, across all public companies in which he/she is a Director. The composition of the Board is in conformity with the requirements of the Act and the Listing Regulations.

All Independent Directors are free from any business or other relationship that could materially influence their judgement. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and they are qualified to act as Independent Directors. Independent Directors have also confirmed their registration with the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in compliance with requirements of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

Appointment/Re-appointment of Directors is subject to the members' approval. Directors hold office in accordance with the provisions of the law and the policy laid down by the Board from time-to-time. The Independent Directors are usually appointed for a fixed term of five years, subject to a maximum of 2 terms of five years and are not liable to retire by rotation. The Executive Director is appointed as per the provisions of the Act and serve in accordance with the terms of his contract of service with the Company. Non-executive Directors (except Independent Directors) are liable to retire by rotation and are eligible for re-appointment, unless otherwise specifically provided under the Articles of Association or under any statute.

The details of the composition of the Board of Directors of the Company and the other Directorships and Committee positions held by them **as on 31<sup>st</sup> March 2023** are as under:



**MR. KUMAR MANGALAM BIRLA**

DIN	00012813	<b>Profile –</b>
Category of Director	Chairman, Non-executive and Non-independent Director	Mr. Kumar Mangalam Birla is the Chairman of the Board of Directors of your Company and the Chairman of Aditya Birla Group (“Group”), which operates in 36 countries across six continents. He is a Chartered Accountant and holds an MBA degree from the London Business School.
Age	56 years	
Date of Appointment	14 <sup>th</sup> October 1992	
Term ending date	Liable to retire by rotation	Mr. Birla chairs the Boards of all major Group companies in India and globally. In the 27 years that he has been at the helm of the Group, he has accelerated growth, built meritocracy, and enhanced stakeholder value. In the process he has raised the Group’s turnover by over 30 times.
Tenure ~	31 years	
Shareholding	11,76,713*	
Board Memberships – Indian Listed companies	<ol style="list-style-type: none"> <li>Aditya Birla Capital Limited: Non-executive Director</li> <li>Aditya Birla Fashion and Retail Limited: Non-executive Director</li> <li>Aditya Birla Sun Life AMC Limited: Non-executive Director</li> <li>Century Textiles and Industries Limited: Non-executive Director</li> <li>Hindalco Industries Limited: Non-executive Director</li> <li>UltraTech Cement Limited: Non-executive Director</li> </ol>	<p>He has been the architect of over 40 acquisitions in India and globally, among the highest by any Indian multinational. Under his stewardship, the Group enjoys a position of leadership in all the major sectors in which it operates, from cement to chemicals, metals to textiles, fashion to financial services and real estate to renewables. Over the years, Mr. Birla has built a highly successful meritocratic organisation, anchored by an extraordinary force of over 180,000 employees.</p> <p>Outside the Group, Mr. Birla has held several key positions on various regulatory and professional Boards. He was a Director on the Central Board of Directors of the Reserve Bank of India. He was Chairman of the Advisory Committee constituted by the Ministry of Corporate Affairs and also served on the Prime Minister of India’s Advisory Council on Trade and Industry. As the Chairman of the Securities Exchange Board of India Committee on Corporate Governance, he framed the first-ever governance code for Corporate India.</p> <p>Over the years, Mr. Birla has been conferred several prestigious awards. In 2023, he was conferred the prestigious Padma Bhushan, among Indian’s highest civilian honours. He was also conferred the prestigious Business Leader of the Decade award by the All India Management Association (AIMA), only the 2<sup>nd</sup> industrialist to receive this honour in AIMA’s history. In 2021, he received the TIE Global Entrepreneurship Award for Business Transformation, the first Indian business leader to receive this honour. He is also the first Indian Industrialist to be conferred an Honorary degree by the Institute of Company Secretaries of India.</p> <p>Mr. Birla is deeply engaged with Educational Institutions. He is the Chancellor of the Birla Institute of Technology &amp; Science (“BITS”) with campuses in Pilani, Goa, Hyderabad, Dubai and Mumbai. He has also been the Chairman of the Indian Institute of Management, Ahmedabad (IIMA) and Indian Institute of Technology, Delhi (IITD).</p> <p>On the global arena, Mr. Birla is an Honorary Fellow of the London Business School. In 2019, Mr. Birla constituted a £15 million scholarship programme at the London Business School in memory of his grandfather, Mr. B. K. Birla, marking the largest ever endowed scholarship gift to a European Business School.</p> <p>A firm practitioner of the trusteeship concept, Mr. Birla has institutionalised the concept of caring and giving at the Group. With his mandate, the Group is involved in meaningful welfare driven activities that distinctively enrich the lives of millions.</p>
Directorship(s) in public companies	7	
Committee position	Chairman – Member –	
<b>Area of expertise</b>		
 Corporate Governance, Legal & Compliance		
 Financial Literacy		
 General Management		
 Human Resource Development		
 Industry Knowledge		
 Technology, Digitisation & Innovation		
 Marketing		
 Risk Management		
 Strategic Expertise		
 Sustainability		

\*Including shares held as Karta of Aditya Vikram Kumar Mangalam Birla HUF

**SMT. RAJASHREE BIRLA**

DIN	00022995	<b>Profile –</b>
Category of Director	Non-executive and Non-independent Director	Smt. Rajashree Birla is an exemplar in the area of community initiatives and rural development. Smt. Birla spearheads the Aditya Birla Centre for Community Initiatives and Rural Development, the Group apex body responsible for development projects.
Age	78 years	
Date of Appointment	14 <sup>th</sup> March 1996	
Term ending date	Liable to retire by rotation	She oversees the social and welfare driven work across all the Group’s major companies. The footprint of the Centre’s work straddles over 7,000 villages, reaching out to 9 million people. The Group runs 20 hospitals. The Group reaches out to well over 100,000 students through its network of 52 formal schools and non-formal educational institutes. Of these girls constitute 50%. Both its hospitals as well as schools are ‘Not For Profit’ institutions. Smt. Birla is the Chairperson of the FICCI – Aditya Birla CSR Centre for Excellence, Habitat for Humanity (India) and is on the Board of the Asia Pacific Committee as well as Habitat’s Global Committee.
Tenure ~	27 years	
Shareholding	5,52,850	
Board Memberships – Indian Listed companies	<ol style="list-style-type: none"> <li>Century Enka Limited: Non-executive Director</li> <li>Century Textiles and Industries Limited: Non-executive Director</li> <li>Hindalco Industries Limited: Non-executive Director</li> <li>Pilani Investment and Industries Corporation Limited: Non-executive Director</li> <li>UltraTech Cement Limited: Non-executive Director</li> </ol>	<p>She is the Chairperson of FICCI’s first ever Expert Committee on CSR. She is on the Board of BAIF Development Research Foundation, Pune and also served on the Board of Directors of SBI Foundation and is a Trustee of the Gujarat Vidyapith. As a patron of arts and culture, she is the President of the “Sangit Kala Kendra”, a Centre for performing arts, as well as the INT-ABCPA (Indian National Theatre-Aditya Birla Centre for Performing Arts).</p> <p>In recognition of the exemplary work done by Smt. Rajashree Birla, leading national and international organisations have showered accolades upon her. Among these the most outstanding one has been that of the Government of India which bestowed the “Padma Bhushan” Award in 2011 on Smt. Rajashree Birla in the area of “Social Work”.</p> <p>In recognition of Smt. Birla’s unrelenting endeavours towards polio eradication, she was honoured with the much coveted “Polio Eradication Champion” Award by the Government of India. Likewise, the “Global Golden Peacock Award for CSR” was conferred upon her by Dr. Ola Ullsten, the Former Prime Minister of Sweden in Portugal. Among other distinctive awards received by Smt. Birla, feature the Economic Times’ prestigious Award: Corporate Citizen of the Year, twice in a decade, first in 2003 and again in 2012; the All India Management Association’s “Corporate Citizen of the Year Award”, the IOD’s “Distinguished Fellowship Award” and the “FICCI FLO Golden Laurel Award”.</p>
Directorship(s) in public companies	5	
Committee position	Chairman – Member –	
<b>Area of expertise</b>		
 Corporate Governance, Legal & Compliance		
 General Management		
 Human Resource Development		
 Industry Knowledge		
 Sustainability		

**MS. ANANYASHREE BIRLA**

DIN	06625036	<b>Profile –</b>
Category of Director	Non-executive and Non-independent Director	Ms. Ananyashree Birla (alias Ms. Ananya Birla) is a platinum-selling artist and a successful business woman. Ms. Ananya Birla has graced the cover of Forbes magazine, Vogue India and Business World 40U40. She has also been felicitated by Ketto India as a Young Changemaker, AISEC Youth Leadership award, CNBC Young Businessperson, Forbes Tycoons of Tomorrow, GQ's Most Influential Young Indians, Miss Vogue's 28 Geniuses under 28, and Forbes Women to Watch-amongst others.
Age	28 years	
Date of Appointment	6 <sup>th</sup> February 2023	
Term ending date	Liable to retire by rotation	
Tenure ~	2 months	
Shareholding	-	Her first company, Svatantra Microfin Private Limited ('Svatantra') founded at the age of 17 is amongst India's fastest growing MFI's. It has crossed an AUM of 1 billion USD and has grown at a CAGR of 120% (2015-2022). With over 7,000 employees, it has consistently been accorded a Great Place To Work. With a CRISIL AA- rating, Svatantra is the youngest, highest rated organisation in the sector. Ms. Birla successfully acquired Micro Housing Finance Corporation Limited in 2018. Her innovation across the business has resulted in a number of firsts in the industry and solidified Svatantra's position as an industry leader in financial services. She is also the founder of design-led home decor brand Ikai Asai. On the social front, she has co-founded Mpower and advocates the need for conversations around mental health in India. She is also the founder of the Ananya Birla Foundation that does pioneering research in mental health and social impact.
Board Memberships - Indian Listed companies	Aditya Birla Fashion and Retail Limited: Non-executive Director	
Directorship(s) in public companies	2	
Committee position	Chairman - Member 1	
<b>Area of expertise</b>		
	Corporate Governance, Legal & Compliance	
	Financial Literacy	
	General Management	
	Human Resource Development	
	Industry Knowledge	
	Technology, Digitisation & Innovation	
	Marketing	
	Risk Management	
	Strategic Expertise	
	Sustainability	
		Ms. Ananya Birla's efforts with building rural development, financial inclusion and encouraging women entrepreneurship in deep rural India have been recognised and felicitated by various Government entities such as Hon'ble Prime Minister of India - Shri Narendra Modi at Champions of Change, an event organised by the National Institution for Transforming India (NITI Aayog). Ms. Ananya Birla was also conferred by the Hon'ble Chief Minister of Maharashtra, Shri Devendra Fadnavis for her role in empowering rural Indian women and pioneering 100% cashless disbursement since inception. She was presented with Kamala Rising Star Award by Hon'ble Governor of Maharashtra Shri Bhagat Singh Koshiyari in April 2022.
		Ms. Ananya Birla serves as a Director on the Board of various companies like Svatantra Microfin Private Limited, Svatantra Micro Housing Finance Corporation Limited, Svatantra Online Services Private Limited, Antimatter Media Private Limited, Talk and Cheese Private Limited, Aditya Birla New Age Hospitality Private Limited, Aditya Birla Management Corporation Private Limited (the apex body that provides strategic direction to the Aditya Birla Group's businesses) and Aditya Birla Fashion and Retail Limited. She is also Director of Ananya Birla Foundation and IKAI ASAI Foundation, which is a Section 8 Company under the Act.

**MR. ARYAMAN VIKRAM BIRLA**

DIN	08456879	<b>Profile –</b>
Category of Director	Non-executive and Non-independent Director	Mr. Aryaman Vikram Birla comes with diverse experiences which includes entrepreneurship, VC investing, and professional sport. He is closely involved with several businesses of the Aditya Birla Group (ABG) including Fashion & Retail and Real Estate. In consultation with the Group Chairman, Mr. Kumar Mangalam Birla, he is actively championing the Group's foray into new-age businesses. He helped to incubate the Group's D2C platform, TMRW and is a Director on its Board. His maiden entrepreneurial foray was in the hospitality business. Mr. Aryaman Vikram Birla is also spearheading the Group's Venture Capital fund, Aditya Birla Ventures that invests in high-growth start-ups. Prior to joining ABG, Mr. Aryaman Vikram Birla was a prolific first-class cricketer.
Age	25 years	
Date of Appointment	6 <sup>th</sup> February 2023	
Term ending date	Liable to retire by rotation	
Tenure ~	2 months	
Shareholding	-	
Board Memberships - Indian Listed companies	Aditya Birla Fashion and Retail Limited: Non-executive Director	
Directorship(s) in public companies	2	Mr. Aryaman Vikram Birla serves as a Director on the Board of various companies like Aditya Birla New Age Hospitality Private Limited, Aditya Birla New Age Restaurants and Cafe Private Limited, Aditya Birla Management Corporation Private Limited (the apex body that provides strategic direction to the Aditya Birla Group's businesses), Aditya Birla Fashion and Retail Limited and Aditya Birla Digital Fashion Ventures Limited.
Committee position	Chairman - Member -	Mr. Aryaman Vikram Birla brings to the fore unique perspectives on team building, leadership, investing and grounds up entrepreneurship.
<b>Area of expertise</b>		
	Corporate Governance, Legal & Compliance	
	Financial Literacy	
	General Management	
	Human Resource Development	
	Industry Knowledge	
	Technology, Digitisation & Innovation	
	Marketing	
	Risk Management	
	Strategic Expertise	
	Sustainability	

**MS. ANITA RAMACHANDRAN**

DIN	00118188	<b>Profile –</b>
Category of Director	Independent Director	Ms. Anita Ramachandran holds a Master's Degree in Management Studies from Jamnalal Bajaj Institute of Management. She is a renowned Human Resource professional with deep knowledge and experience of about 40 years as a management consultant. She is also one of the first generation of women professionals to become an entrepreneur and run a highly successful HR consulting and services organisation.
Age	68 years	
Date of Appointment	14 <sup>th</sup> August 2018	
Term ending date	13 <sup>th</sup> August 2023*	
Tenure ~	5 years	
Shareholding	-	
Board Memberships – Indian Listed companies	<ol style="list-style-type: none"> <li>FSN E-Commerce Ventures Limited: Independent Director</li> <li>Blue Star Limited: Independent Director</li> <li>Happiest Minds Technologies Limited: Independent Director</li> <li>Metropolis Healthcare Limited: Independent Director</li> <li>Ujivan Small Finance Bank Limited: Independent Director</li> </ol>	Ms. Ramachandran began her career with AF Ferguson & Co. [AFF] (the KPMG network Company in India then) in 1976 as the first woman consultant of the firm. In her 19 years stint with AFF she worked across various parts of the country and in a wide range of functional areas. She was a Director at the time of leaving the firm.
Directorship(s) in public companies	9	Ms. Ramachandran founded Cerebrus Consultants in 1995 to focus on HR advisory services, including organisation transformation. Her reputation and innovative work helped her build Cerebrus into a firm with national presence and the firm has worked with over 1000 companies in South Asia. Ms. Ramachandran is known as an authority in reward management in the country. In recent years she has been involved with several large organisations in South Asia on organisation transformation and talent management issues. Her wide general management consulting experience and insights on HR have enabled her to be a strategic advisor to many family groups. She also works with several PE firms and start-ups to mentor them through their growth journey.
Committee position	Chairman 1 Member 7	Ms. Ramachandran has been an Independent Director on boards of several large companies for over 20 years.
<b>Area of expertise</b>		Ms. Ramachandran supports many organisations in the social sector through pro-bono professional work and remains deeply committed to work with women. She was former Chairperson of TIE Women.
 Corporate Governance, Legal & Compliance		
 General Management		
 Human Resource Development		
 Industry Knowledge		

\*Reappointed for a second term of 5 years w.e.f. 14<sup>th</sup> August 2023

**MR. N. MOHAN RAJ**

DIN	00181969	<b>Profile –</b>
Category of Director	Independent Director	Mr. N. Mohan Raj holds a Master's Degree in Arts (Economics). He is the former Executive Director of Life Insurance Corporation of India and has rich experience in the field of Administration, Marketing of Life Insurance, Mutual Fund, Finance and Investments. He serves as Director on the Board of LTIDPL Indvit Services Limited and Veritas Finance Private Limited.
Age	69 years	
Date of Appointment	12 <sup>th</sup> July 2019	
Term ending date	11 <sup>th</sup> July 2024	
Tenure ~	4 years	
Shareholding	-	
Board Memberships – Indian Listed companies	-	
Directorship(s) in public companies	1	
Committee position	Chairman 1 Member 1	
<b>Area of expertise</b>		
 Corporate Governance, Legal & Compliance		
 Financial Literacy		
 General Management		
 Industry Knowledge		
 Marketing		
 Risk Management		
 Strategic Expertise		
 Sustainability		

**MR. YAZDI PIROJ DANDIWALA**

DIN	01055000	<b>Profile –</b>
Category of Director	Independent Director	Mr. Yazdi Piroj Dandiwalwa is a senior partner of the law firm M/s Mulla and Mulla and Craigie Blunt and Caroe. He has an extensive Corporate and Commercial law practice both in contentious and non-contentious matters.
Age	72 years	
Date of Appointment	6 <sup>th</sup> February 2023	
Term ending date	5 <sup>th</sup> February 2028	
Tenure ~	2 months	With his unparalleled experience of over 48 years in corporate law, Mr. Dandiwalwa has advised several multinational companies in their investments, financial and technical collaborations in India.
Shareholding	-	
Board Memberships – Indian Listed companies	<ol style="list-style-type: none"> <li>Century Textiles and Industries Limited: Independent Director</li> <li>Hindalco Industries Limited: Independent Director</li> <li>Pilani Investment and Industries Corporation Limited: Independent Director</li> </ol>	His corporate practice extends to both large Indian corporates and MNCs, with extensive experience in intricate transactions including mergers and acquisitions, joint ventures, takeovers, disinvestments, investments by venture capitalists, delisting etc.
Directorship(s) in public companies	5	His industry expertise spans over Chemicals, Construction, Energy, Funds, Financial Services, Hotel, Infrastructure, IT, Manufacturing, Oil & Gas, Paper & Pulp, Real Estate, Telecommunication, Textiles etc.
Committee position	Chairman 1 Member 5	Mr. Dandiwalwa serves as a Director on the Board of various companies like Duville Estates Private Limited, Access Trusteeship Company Private Limited, Century Textile and Industries Limited, Pilani Investment and Industries Corporation Limited, Hindalco Industries Limited, Hindalco-Almex Aerospace Limited and Rashi Peripherals Limited.
<b>Area of expertise</b>		He was a member and for a few years the Chairman of the local advisory committee of Bank of Nova Scotia. He is also a member and the Vice President of the Managing Committee of the Bombay Incorporated Law Society
 Corporate Governance, Legal & Compliance		
 Financial Literacy		
 General Management		
 Industry Knowledge		
 Risk Management		
 Strategic Expertise		
 Sustainability		

**DR. THOMAS M. CONNELLY, JR.**

DIN	03083495	<b>Profile –</b>
Category of Director	Independent Director	Dr. Thomas M. Connelly, Jr. holds Bachelor's Degrees in Chemical Engineering and Economics from Princeton University. He also holds a doctorate in Chemical Engineering from the University of Cambridge. He has over 36 years of experience in the chemical industry. He served (for eight years) as the Executive Director and CEO of the American Chemical Society, ('ACS'). Prior to joining ACS, he served as Chief Science and Technology Officer, and then as Chief Innovation Officer for the DuPont Company. At DuPont, Dr. Connelly led R&D organisation and businesses while based in the US, Europe and Asia. Dr. Connelly was elected to the National Academy of Engineering, and has chaired studies for the Academies' Division of Earth and Life Studies. He has also served in advisory roles to the U.S. Government and the Republic of Singapore.
Age	70 years	
Date of Appointment	20 <sup>th</sup> August 2010	
Term ending date	22 <sup>nd</sup> August 2024	
Tenure ~	13 years	
Shareholding	-	
Board Memberships – Indian Listed companies	-	
Directorship(s) in public companies	-	
Committee position	Chairman - Member -	
<b>Area of expertise</b>		
 Corporate Governance, Legal & Compliance		
 Financial Literacy		
 General Management		
 Industry Knowledge		
 Technology, digitisation & innovation		
 Marketing		
 Risk Management		
 Strategic Expertise		
 Sustainability		

**MR. V. CHANDRASEKARAN**

DIN	03126243
Category of Director	Independent Director
Age	65 years
Date of Appointment	24 <sup>th</sup> May 2021
Term ending date	23 <sup>rd</sup> May 2026
Tenure ~	2 years
Shareholding	85
Board Memberships – Indian Listed companies	1. Tamil Nadu Newsprint & Papers Limited: Independent Director 2. Care Ratings Limited: Independent Director 3. Tata Investment Corporation Limited: Independent Director
Directorship(s) in public companies	6
Committee position	Chairman 5 Member 1

**Area of expertise**

-  Corporate Governance, Legal & Compliance
-  Financial Literacy
-  General Management
-  Industry Knowledge
-  Risk Management
-  Strategic Expertise

**Profile –**

Mr. V. Chandrasekaran is a qualified Chartered Accountant and retired Executive Director (Investment) of LIC of India. He has more than 3 decades of experience in Life Insurance Finance, Housing Finance and Mutual Fund Investment, with adequate exposure to a gamut of Investments. He is involved in Investment decision-making processes, Investment Monitoring & Accounting and Investment Research and Risk Management. He serves as an Independent Director on the Board of various companies like Tamil Nadu Newsprint & Papers Limited, CARE Ratings Limited, Tata Investment Corporation Limited, Aseem Infrastructure Finance Limited, LIC (International) Bahrain, etc.

**MR. CYRIL SHROFF**

DIN	00018979
Category of Director	Independent Director
Age	63 years
Date of Appointment	25 <sup>th</sup> July 2000
Term ending date	22 <sup>nd</sup> August 2024
Tenure ~	23 years
Shareholding	-
Board Memberships – Indian Listed companies	-
Directorship(s) in public companies	-
Committee position	Chairman - Member -

**Area of expertise**

-  Corporate Governance, Legal & Compliance
-  Financial Literacy
-  General Management
-  Industry Knowledge
-  Risk Management
-  Strategic Expertise
-  Sustainability

**Profile –**

Mr. Cyril Shroff has over 41 years of experience in a wide range of areas, including corporate and securities law, disputes, banking, bankruptcy, infrastructure, private client, financial regulatory and others. He holds a Bachelor's Degree in Law from Government Law College, Mumbai. He is consistently ranked as 'star practitioner' in India by Chambers Global and is often regarded as the 'M&A King of India'. He is the Chairman of the FICCI Corporate Laws Committee, a member of the CII National Council and Financial Markets Committee, the National Committee on Financial Markets & others. He is a member on the Board of Singapore International Arbitration Centre (SIAC), a member of the first apex Advisory Committee of the IMC International ADR Centre and a task force member of the Society of Insolvency Practitioners of India. He was a member of the SEBI constituted Uday Kotak Committee on Corporate Governance and the SEBI Committee on Insider Trading. He is also a member of the Thought Committee on Bank Insolvency of the Insolvency Law Academy. Chambers Asia Pacific 2023 recognised him as 'Star Individual' for Corporate/M&A and an 'Eminent Practitioner' for Private Equity, Restructuring & Insolvency and Banking & Finance in India.

**MR. ADESH KUMAR GUPTA**

DIN	00020403
Category of Director	Independent Director
Age	66 years
Date of Appointment	24 <sup>th</sup> May 2021
Term ending date	23 <sup>rd</sup> May 2026
Tenure ~	2 years
Shareholding	69,508*
Board Memberships – Indian Listed companies	1. Vinati Organics Limited: Independent Director 2. CARE Ratings Limited: Independent Director 3. Zee Entertainment Enterprises Limited: Non-executive Director 4. India Pesticides Limited: Independent Director 5. Krsnaa Diagnostics Limited: Independent Director
Directorship(s) in public companies	6
Committee position	Chairman 4 Member 5

**Area of expertise**

-  Corporate Governance, Legal & Compliance
-  Financial Literacy
-  General Management
-  Human Resource Development
-  Industry Knowledge
-  Risk Management
-  Strategic Expertise
-  Sustainability

**Profile –**

Mr. Adesh Kumar Gupta is a qualified Chartered Accountant, Company Secretary and has completed Advanced Management Programme from Harvard University. He has more than 4 decades of vast experience in the field of finance and general management. He has sound knowledge & expertise in the field of finance, strategy and corporate law in various industries. He serves as an Independent Director on the Board of various companies like Vinati Organics Limited, CARE Ratings Limited, India Pesticides Limited, Krsnaa Diagnostics Limited and Survival Technologies Limited. He is also Director on the board of Zee Entertainment Enterprises Limited. He was the former Whole Time Director & CFO of the Company till 30<sup>th</sup> June 2015. He was recognised as Best CFO by the Institute of Chartered Accountants of India, IMA, Business Today. He is Ex-Member of National Advisory Committee on Accounting Standards ('NACAS') as representative of FICCI. NACAS was a statutory organisation constituted by Government of India for setting up Accounting Standards.

**MR. RAJ KUMAR**

DIN	06627311
Category of Director	Non-executive and Non-independent Director
Age	61 years
Date of Appointment	12 <sup>th</sup> November 2021
Term ending date	Liable to retire by rotation
Tenure ~	1.5 years
Shareholding	-
Board Memberships – Indian Listed companies	IDBI Bank Limited: Nominee Director
Directorship(s) in public companies	1
Committee position	Chairman - Member -

**Area of expertise**

-  Corporate Governance, Legal & Compliance
-  Financial Literacy
-  General Management
-  Human Resource Development
-  Industry Knowledge
-  Risk Management
-  Strategic Expertise
-  Sustainability

**Profile –**

Mr. Raj Kumar has retired as a Managing Director of Life Insurance Corporation of India (LIC) with effect from 1<sup>st</sup> February 2023. He has been associated with LIC for 38 plus years. At LIC, Mr. Kumar has handled several significant assignments, in various capacities ranging from being CEO of LIC Mutual Fund Asset Management Limited; Zonal Manager of Central Zone, Bhopal; Executive Director of Estate & Office Services, Human Resource Development and International Operations and had additional charge of Management Development Centre, Borivali and Vigilance Department of LIC. He has, also, headed two prestigious Divisions, Gorakhpur and Jaipur, of the LIC.

He has, also, served as Chief Public Information Officer and Appellate Authority, under Right to Information Act, of LIC. He was, also, the Chief (Personnel) and Chief (Customer Relationship Management) at LIC. He has been conferred with 'Most Influential Human Resource Officer in Asia' Award by CHRO, Asia, 'Hinditar Bhashi Samman' by Madhya Pradesh Rashtra Bhasha Prachar Samiti, Bhopal. He was recently conferred with 'Raashtrreey Guarav Samman' by Jay Foundation, New Delhi and Aaj Ka Prahari Group of newspapers.

Mr. Kumar is a Science Graduate and has attended various training programmes at IIM-Ahmedabad, ISB-Hyderabad, Indian Institute of Advanced Studies-Bangalore, National Insurance Academy - Pune, Delhi Productivity Council, Third World Productivity Council and Management Development Centre - Mumbai etc. He had been a visiting faculty at Zonal Training Centres of LIC, Management Development Centre (LIC), Mumbai and National Insurance Academy, Pune.

Mr. Kumar has also served on the Boards of LICHL Asset Management Co. Limited, LIC Housing Finance Limited, LICHL Care Homes Limited, LIC Mutual Fund Asset Management Company Limited, LIC of Bangladesh Limited Dhaka, Rajasthan Financial Corporation Jaipur, High Energy Batteries (India) Limited Chennai, Reliance Naval and Engineering Limited Mumbai and LIC (Lanka) Limited Colombo. He is also a Director on the Board of IDBI Bank Limited. He was a Trustee of LIC Golden Jubilee Foundation and LIC of India Provident Fund No. 1. He was also, a Member of Governing Board of National Insurance Academy, Pune and the Governing Body of Insurance Institute of India, Mumbai.

\* Including shares held as Karta of Adesh Kumar Gupta HUF

**DR. SANTRUPT MISRA**

DIN	00013625	<b>Profile –</b>
Category of Director	Non-executive and Non-independent Director	Dr. Santrupt Misra is currently the Group Director, Birla Carbon; Director, Chemicals; and Director, Group Human Resources for the Aditya Birla Group, a USD 60 billion Global Conglomerate.
Age	57 years	
Date of Appointment	13 <sup>th</sup> June 2020	
Term ending date	Liable to retire by rotation	
Tenure ~	3 years	
Shareholding	-	
Board Memberships – Indian Listed companies	Aditya Birla Capital Limited: Non-executive Director	
Directorship(s) in public companies	1	
Committee position	Chairman - Member 1	

**Area of expertise**

	Corporate Governance, Legal & Compliance
	Financial Literacy
	General Management
	Human Resource Development
	Industry Knowledge
	Technology, Digitisation & Innovation
	Risk Management
	Strategic Expertise
	Sustainability

Dr. Misra is also on Governing Bodies of professional organisations/associations such as the Association of Executive Search Consultants (AESC) U.S.A. He was also on the Board of the Xavier's Institute of Management, Bhubaneswar and the Worldwide ERC, USA. He also served as a member of the SHRM Certification Commission, USA.

Dr. Misra is the Chairman of the Project Advisory Committee for the 'Ekamra Kshetra Scheme', an Odisha State Government project of immense significance for the heritage of Odisha and of cultural significance for the country. He is also a Co-opted Member to the Governing Council (GC) of the United Nations Global Compact Network India (UN GCNI), for a two-year term.

He was an Independent Director on the Board of the Oil and Natural Gas Corporation Limited a leading Government of India enterprise, and the Chairperson of the Board of Governors of the National Institute of Technology, Rourkela.

Dr. Misra holds two Post Graduate Degrees in Political Science and in Personnel Management & Industrial Relations, from the Utkal University & the Tata Institute of Social Sciences, respectively. In addition, he also holds two PhDs, from India & UK, in Public Administration and Industrial Relations, respectively, and an honorary D.Sc. Degree from Aston University, UK. He is a Fellow of the National Academy of Human Resources (NAHR), USA; Hon. Fellow of the Coaching Federation of India; an Eisenhower Fellow, an Aston Business School Fellow, an AIMA Fellow and a Commonwealth Scholar.

**MR. HARIKRISHNA AGARWAL**

DIN	09288720	<b>Profile –</b>
Category of Director	Executive Director, Managing Director	Mr. Harikrishna Agarwal, the Managing Director of the Company, is a veteran professional in the Aditya Birla Group (ABG). He has been associated with ABG for more than four decades and has played diverse roles in the Cement, Chemicals, and Pulp & Fibre businesses across India, South East Asia, and China.
Age	63 years	
Date of Appointment	1 <sup>st</sup> December 2021	
Term ending date	30 <sup>th</sup> November 2023	
Tenure ~	1.5 years	
Shareholding	49,054	
Board Memberships – Indian Listed companies	-	He started his career with ABG in 1982 as Management Trainee at Rajashree Cement, a Division of Indian Rayon. He subsequently worked with TANFAC as Chief Commercial Executive before moving to Thailand as Vice-president (Commercial), Thai Peroxide in 1987 and became its Unit Head in 1995. In 2000, he moved to Epoxy Division in Thailand as Unit Head of Thai Epoxy and was Unit Head of Epoxy Division and Chlor-Alkali Division from 2004 until 2009. In 2009, he moved to Thai Rayon as Unit Head. In 2013, he took on the role of COO, Pulp and Fibre- SEA & China and Country Head, Group Affairs- Thailand. He returned to India in 2015 to take on the role of COO- Global Manufacturing with Pulp and Fibre Business. Mr. Agarwal is an All-India rank holder -Chartered Accountant. He has done an Executive MBA from Sasin, Chulalongkorn University, Bangkok, and Advance Management Programme (AMP) from Harvard Business School. He is also a recipient of Chairman's Outstanding Leader Award, 2012 and the "Certificate of Excellence" in 2021 for his outstanding contribution to Grasim's growth.
Directorship(s) in public companies	-	
Committee position	Chairman - Member -	

**Area of expertise**

	Corporate Governance, Legal & Compliance
	Financial Literacy
	General Management
	Industry Knowledge
	Technology, Digitisation & Innovation
	Marketing
	Risk Management
	Strategic Expertise
	Sustainability

**Notes:**

- Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act.
- In terms of the Regulation 26(1)(b) of the Listing Regulations, Committee positions includes Audit Committee and Stakeholders' Relationship Committee in public Companies excluding Private Limited Companies / Foreign Companies / High value debt listed entities/ Section 8 Companies.
- The number of directorship and committee positions is excluding your Company.
- No Director is related to any other Director on the Board, except for:
  - Mr. Kumar Mangalam Birla and Smt. Rajashree Birla, who are related to each other as son and mother respectively.
  - Ms. Ananyashree Birla is grand-daughter of Smt. Rajashree Birla, Daughter of Mr. Kumar Mangalam Birla and elder sister of Mr. Aryaman Vikram Birla.
  - Mr. Aryaman Vikram Birla is grand-son of Smt. Rajashree Birla, son of Mr. Kumar Mangalam Birla and brother of Ms. Ananyashree Birla.
- None of the Directors holds any convertible instruments of your Company.
- Committees membership excludes chairmanship.
- No Non-executive Director has attained the age of 75 years, except Smt. Rajashree Birla, for which the approval of the Members has been obtained by way of special resolution at the Annual General Meeting held on 29<sup>th</sup> August 2022.
- List of core skills, expertise and competencies of the Board of Directors of the Company are forming part of this Integrated Report.

### Role of Board of Directors

The Company's Board of Directors plays a primary role in ensuring good governance; smooth functioning of the Company and in the creation of stakeholders' value.

The Board's role, functions, responsibility and accountability are clearly defined. As the Board's primary role is fiduciary in nature, it is responsible for ensuring that the Company runs on sound ethical business practices and that the resources of the Company are utilised in a manner so as to create sustainable growth and value for the Company's members and the other stakeholders and also fulfil the aspirations of the society and the communities in which it operates.

The Board is duly supported by the Management in ensuring effective functioning of the Company. The Board monitors the Company's overall performance, directs and guides the activities of the Management towards the set goals and seeks accountability. The Board also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with the laws and regulations. As a part of its function, the Board periodically reviews all the relevant information, which is required to be placed before it, pursuant to the Listing Regulations and in particular, reviews and approves financial statements, corporate strategies, business plans, annual budgets, projects (including CSR projects) and capital expenditure.

### Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. The Board/Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by the Act, which are noted and confirmed in the subsequent Board Meeting.

### The Board business generally includes consideration of important corporate actions and events including:-

- quarterly and annual results announcements;
- oversight of the performance of the business;
- declaration of dividend;
- development and approval of overall business strategy;

- annual operating and capital expenditure budget;
- review of the functioning of the Committees; and
- other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

The notice of the Board/Committee Meetings is given well in advance to all the Directors. Usually, Meetings of the Board are held in Mumbai. The Agenda of the Board/Committee Meetings is set by the Company Secretary in consultation with the Chairman and Managing Director of the Company and it is circulated a week prior to the date of the Meeting. The Board Agenda includes an Action Taken Report comprising of actions emanating from the previous Board Meetings and status updates thereof. The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision and also covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. Audio Visual means are also used to facilitate Directors travelling or located at other locations to participate in the Meetings. Prior approval from the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board / Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information ('UPSI').

The Company Secretary attends all the Meetings of the Board and its Committees, in the capacity of Secretary of the Committees. The Company Secretary advises/ assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings.

The draft minutes of each Board/ Committee meetings are circulated to all Directors/ Members for their comments within 15 days of the meeting. The Company Secretary, after incorporating comments, if any, received from the Directors/ Members, records the minutes of each Board/ Committee meeting within 30 days from conclusion of the meeting. The important decisions taken at the Board/ Committee meetings are communicated to the concerned departments promptly.

During the year, the Board met 7 (Seven) times on 24<sup>th</sup> May 2022, 16<sup>th</sup> June 2022, 19<sup>th</sup> July 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 6<sup>th</sup> February 2023 and 14<sup>th</sup> February 2023. The maximum interval between any two meetings held during the year did not exceed 120 days.

Details of attendance of Directors at the Board Meetings and at the last Annual General Meeting ('AGM') held during the year are as under:

Name of the Directors	Number of Board Meetings held during the tenure	Number of Board Meetings attended	Attended last AGM held on 29 <sup>th</sup> August 2022
Mr. Kumar Mangalam Birla	7	6	Yes
Smt. Rajashree Birla	7	5	Yes
Ms. Ananyashree Birla <sup>1</sup>	1	1	Not Applicable
Mr. Aryaman Vikram Birla <sup>1</sup>	1	1	Not Applicable
Ms. Anita Ramachandran	7	7	Yes
Mr. N. Mohan Raj	7	7	Yes
Mr. Yazdi Piroj Dandiwala <sup>2</sup>	1	1	Not Applicable
Dr. Thomas M. Connelly, Jr.	7	7	Yes
Mr. V. Chandrasekaran	7	7	Yes
Mr. Adesh Kumar Gupta	7	7	Yes
Mr. Cyril Shroff	7	2	No
Mr. Raj Kumar	7	5	Yes
Dr. Santrupt Misra	7	6	Yes
Mr. Harikrishna Agarwal	7	7	Yes
Mr. Shailendra Kumar Jain <sup>3</sup>	5	5	Yes

1. Appointed as Non-executive Director w.e.f. 6<sup>th</sup> February 2023.
2. Appointed as an Independent Director w.e.f. 6<sup>th</sup> February 2023.
3. Resigned as Non-executive Director w.e.f. 1<sup>st</sup> February 2023.

### Meeting of Independent Directors

A separate meeting of Independent Directors of the Company was held on 28<sup>th</sup> March 2023, without the presence of Non-independent Directors and the management, *inter alia*, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors;
- Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole. The Independent Directors also expressed satisfaction on the Board's freedom to express views on matters transacted at meetings and the manner in which the management discusses various subject matters specified in the agenda of meetings. Suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

### Resignation of Non-executive Director

During the year, Mr. Shailendra Kumar Jain (DIN: 00022454) has stepped down as a Non-executive Director of the Company with effect from 1<sup>st</sup> February 2023, due to advancing age and need to devote time for family affairs including succession planning and pursue personal interest. Mr. Jain also confirmed that there is no reason other than provided above.

### Succession Planning

Your Company has an effective mechanism for succession planning which focuses on orderly succession of the Board and Senior Management team. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board. In addition, promoting Senior Management within the organisation fuels the ambitions of the talent force to earn future leadership roles.

### Support of the Board

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and

to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory Authorities for governance matters and is also the Compliance Officer of the Company.

### Code of Conduct

The Board of Directors has laid down a 'Code of Conduct for the Board Members and Senior Management' of your Company, which is available on the Company's website at <https://www.grasim.com/Upload/PDF/corporate-principles-code-of-conduct.pdf>. All Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and Senior Management. A declaration to that effect signed by the Managing Director forms part of this Report.

### Training, Induction and Familiarisation Programme

Letter of appointment, stipulating the terms of appointment, role, rights and responsibilities, are issued to the Independent Directors at the time of their appointment. In terms of the Listing Regulations, the terms and conditions of appointment of Independent Director are placed on the Company's website at [https://www.grasim.com/upload/pdf/terms\\_conditions\\_independent\\_director.pdf](https://www.grasim.com/upload/pdf/terms_conditions_independent_director.pdf). When a Director joins the Board of the Company, your Company conducts introductory familiarisation programme, *inter alia*, covering the nature of the industry in which the Company operates, business model of the Company, organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to the Company. On an on-going basis, the Directors are familiarised with the Company's business, its operations, strategy, functions, policies and procedures at the Board and Committee meetings. Changes in regulatory framework and its impact on the operations of the Company are also presented at the Board/Committee meetings. The Directors are also apprised about risk assessment and minimisation procedures.

All the Directors (including Independent Directors) have the freedom to interact with the Company's Senior Management Personnel to discuss the matters pertaining to the Company's affairs.

The details of familiarisation programme, imparted to the Independent Directors of the Company are available on the Company's website at <https://www.grasim.com/Upload/PDF/familiarisation-programme-independent-directors.pdf>

### Prevention of Insider Trading

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised 'Code of Conduct to regulate, monitor and report trading by designated persons in Listed or Proposed to be Listed Securities' of the Company ('the Insider Trading Code'). The object of the Insider Trading Code is to set framework, rules and procedures, which all concerned should follow, both in letter and spirit, while trading in listed or proposed to be listed securities of the Company. The Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('the Code') in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018 and formulated a Policy for determination of 'legitimate purposes' as a part of the Code. The Code also includes policy and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information ('UPSI') and aims at preventing misuse of UPSI. The Code is available on the Company's website at <https://www.grasim.com/Upload/PDF/pit-code-of-practice-and-procedures-for-fair-disclosures-upsi.pdf>. The policy and the procedures are periodically reviewed and revised from time to time and communicated to the Designated Persons. Trading window closure is intimated to all Designated Persons and to the Stock Exchanges in advance, whenever required. A digital platform is being maintained by the Company, which contains the names and other prescribed particulars of the persons covered under the Insider Trading Code. This online tracking mechanism for monitoring trade in the Company's securities by the 'Designated Persons' and their relatives helps in weekly detection and taking appropriate action, in case of any violation/non-compliance of the Company's Insider Trading Code. The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

### COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations and the Act. The Board Committees play a vital role in improving the Board effectiveness in the areas where more focuses and extensive discussions are required.

### The composition of the following Committees of the Board as on 31<sup>st</sup> March 2023 are as under:

Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management and Sustainability Committee	Finance Committee	PIT Regulation Committee
• Mr. N. Mohan Raj (Chairman)	• Ms. Anita Ramachandran (Chairperson)	• Ms. Anita Ramachandran (Chairperson)	• Smt. Rajashree Birla (Chairperson)	• Mr. N. Mohan Raj (Chairman)	• Mr. Harikrishna Agarwal (Chairman)	• Mr. V. Chandrasekaran (Chairman)
• Dr. Thomas M. Connelly, Jr.	• Mr. Kumar Mangalam Birla	• Mr. Yazdi Piroj Dandiwalla	• Ms. Anita Ramachandran	• Dr. Thomas M. Connelly, Jr.	• Mr. Adesh Kumar Gupta	• Dr. Santrupt Misra
• Mr. V. Chandrasekaran	• Mr. Cyril Shroff	• Mr. Harikrishna Agarwal	• Mr. Harikrishna Agarwal	• Mr. V. Chandrasekaran	• Dr. Santrupt Misra	• Mr. Harikrishna Agarwal
• Mr. Harikrishna Agarwal	• Mr. Adesh Kumar Gupta			• Mr. Harikrishna Agarwal		
				• Mr. Jayant V. Dhobley		
				• Mr. Thomas Varghese		
				• Mr. Rakshit Hargave		

**Note:** Committee of Independent Directors and IGF Divestment Committee had been dissolved on 12<sup>th</sup> August 2022.

### 1. AUDIT COMMITTEE

#### Composition, Meetings and Attendance

The Audit Committee of the Board comprises of 3 Independent Directors and 1 Executive Director. The members of the Audit Committee are financially literate and have accounting or related financial management expertise. The composition of the Audit Committee complies with the requirements of the Listing Regulations and the Act.

During the year, 7 (Seven) Audit Committee meetings were held on 24<sup>th</sup> May 2022, 16<sup>th</sup> June 2022, 12<sup>th</sup> August 2022, 20<sup>th</sup> October 2022, 14<sup>th</sup> November 2022, 14<sup>th</sup> February 2023 and 28<sup>th</sup> March 2023.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the Audit Committee meetings held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Mr. N. Mohan Raj (Chairman)	Independent Director	7	6
Dr. Thomas M. Connelly, Jr.	Independent Director	7	7
Mr. V. Chandrasekaran	Independent Director	7	7
Mr. Harikrishna Agarwal	Executive Director	7	7

The Chief Financial Officer of the Company is a permanent invitee to the Audit Committee meetings. The Joint Statutory Auditors, the Internal Auditors and senior executives as it considers appropriate are also invited to the Audit Committee meetings. Cost Auditors are invited to the Audit Committee meetings, whenever matters relating to the Cost Audit are considered.

The Company Secretary acts as the Secretary to the Audit Committee.

Mr. N. Mohan Raj, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 29<sup>th</sup> August 2022.

The Audit Committee acts as a link between the management, the Statutory and Internal Auditors and the Board. The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure, maintain the integrity and quality of financial reporting. The Audit Committee, *inter alia*, also reviews, from time to time, the audit and internal control procedures, the accounting policies of your Company, annual compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015, reviewing complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and reviewing complaints received under Whistle-Blower Policy of the Company. The Committee also oversees the performance of the Internal

and Statutory Auditors and recommends their appointment and remuneration to the Board. The minutes of the Audit Committee Meetings were noted by the Board. The Chairman of the Audit Committee Meeting briefs the Board on the discussions held during the Audit Committee Meetings. The recommendations of the Audit Committee have been accepted by the Board.

#### Brief Description of the Terms of Reference

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Directors' Responsibility Statements to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgement by the management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to the financial statements;
  - f) disclosure of any related party transactions; and
  - g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Reviewing the utilisation of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
11. Valuation of undertakings or assets of the Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Monitoring the end use of funds raised through public offers and related matters;
14. Reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with Internal Auditors of any significant findings and follow up thereon;
17. Reviewing the findings of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the Whistle-Blower Mechanism;

21. In consultation with the Internal Auditors, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
22. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Financial statements, in particular, the investments made by the unlisted subsidiary companies;
3. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
4. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
5. Internal audit reports relating to internal control weaknesses;
6. Appointment, removal and terms of remuneration of the Internal Auditors;
7. Statement of deviations:
  - a) quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulation;
  - b) annual statement of funds utilised for the purposes other than those stated in the offer document/ prospectus/ notice in terms of the Listing Regulation.
8. Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important, including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;
9. Any material default in financial obligations by the Company; and

10. Any significant or important matters affecting the business of the Company.

#### Vigil Mechanism/Whistle-Blower Policy:

Your Company has adopted Whistle-Blower Policy that provides a formal vigil mechanism for Directors and Employees to report genuine concerns about the unethical behaviour, actual or suspected frauds of violation of the Company's Code of Conduct or Ethics Policy. The said mechanism also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No personnel has been denied access to the Audit Committee. The policy provides for adequate safeguards against victimisation and all personnel have access to the Audit Committee. The Whistle-Blower Policy is available on the Company's website at <https://www.grasim.com/Upload/PDF/whistle-blower-policy.pdf>. The Policy is in line with the Company's Code of Conduct, Vision and Values and forms part of good Corporate Governance.

## 2. NOMINATION AND REMUNERATION COMMITTEE Composition, Meetings and Attendance

The Nomination and Remuneration Committee ('NRC') comprises of 4 Non-executive Directors, out of which 3 are Independent Directors. The composition of the NRC complies with the requirements of the Listing Regulations and the Act. During the year, 7 (Seven) NRC meetings were held on 24<sup>th</sup> May 2022, 16<sup>th</sup> June 2022, 19<sup>th</sup> July 2022, 12<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 6<sup>th</sup> February 2023 and 14<sup>th</sup> February 2023.

The recommendations of the NRC have been accepted by the Board.

The details of composition of NRC as on 31<sup>st</sup> March 2023 and attendance of the members at the NRC meetings held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Ms. Anita Ramachandran, Chairperson	Independent Director	7	7
Mr. Kumar Mangalam Birla	Non-executive Director	7	6
Mr. Cyril Shroff	Independent Director	7	2
Mr. Adesh Kumar Gupta	Independent Director	7	7

The Company Secretary acts as the Secretary to the NRC.

### Brief Description of the Terms of Reference

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulate the criteria for effective evaluation of performance of the Board, its Committees and individual Directors and review its implementation and compliance;
3. Devise a policy on diversity of the Board of Directors;
4. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
5. To consider whether to extend or continue the term of appointment of Independent Directors, on the basis of the report of performance evaluation of Independent Directors;
6. Set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and Senior Management of the quality required to run the Company successfully;
7. Set the relationship of remuneration to performance;
8. Check whether the remuneration provided to Directors, Key Managerial Personnel and Senior Management includes a balance between fixed and incentives pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals;
9. Review and implement succession plans for Managing Director, Executive Directors and Senior Management;
10. Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to the Board or shareholder approval (including broad-based plans); and
11. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

### Performance Evaluation

The Board carries out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees as mandated

under the Act, the Listing Regulations and the Executive Remuneration Policy of your Company, as amended from time to time. The performance evaluation of Non-independent Directors and the Board as a whole was carried out by the Independent Directors. The performance of the Chairman of the Board was also reviewed, taking into account the views of the Executive, Non-executive and Independent Directors.

The evaluation is based on criteria which includes, among others, attendance and preparedness for the meetings, participation in deliberations, understanding the Company's business and that of the industry and guiding the Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Act.

Structured questionnaires were circulated to the Directors for providing feedback on functioning of the Board, Committees and the Chairman of the Board. Based on the inputs received, action plans are drawn up in consultation with the Directors to encourage greater participation and deliberations at the meetings and bringing to the table their experience and guidance in further improving the performance of your Company.

The performance of the Independent Directors is evaluated, with emphasis on:

- Time invested in understanding your Company and its unique requirements;
- External knowledge and perspective;
- Views expressed on the issues discussed at the Board; and
- Keeping updated on areas and issues that are likely to be discussed at the Board.

### Remuneration Policy

The Board has, on the recommendation of the NRC framed a policy on Remuneration of Directors and Senior Management Employees, which is available on the Company's website at <https://www.grasim.com/upload/pdf/ABG-executive-remuneration-philosophy-policy.pdf>. Performance Review System is primarily based on competencies and values. The Company closely monitors growth and development of top talent in the Company to align personal aspiration with the organisation's goal.

### Remuneration of Directors and Others:

Your Company's executive remuneration philosophy supports the design of programmes that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities, with the long-term success of your Company's stakeholders.

The executive remuneration policy is designed to attract, retain, and reward talented executives who contribute to your Company's long-term success and thereby build value for stakeholders. It is intended to provide for monetary and non-monetary remuneration elements on a holistic basis; emphasise "pay for performance" by aligning incentives with business strategies to reward executives who achieve or exceed business and individual goals.

Executive pay practices and levels are dynamically tracked and aligned with peer companies in similar industries, geographies, size and function. Your Company aims to provide competitive remuneration opportunities to its executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long-term incentive payouts at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. It recognises the size and scope of the role and the market standing, skills and experience of incumbents while positioning its executives. Your Company uses secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

The remuneration involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of your Company and its goals. A material proportion of compensation for senior management is performance based – 25% to 40% of compensation. It increases as the employee grows in the organisation and takes up roles of higher responsibility. The more senior the role, the weightage of business performance on the variable pay also increases in comparison to unit performance and individual performance. This ensures a competitive pay-mix which aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits.

Annual incentive plan pay-outs of executives is linked to relevant financial and operational metrics achievement and their individual performance. Financial and operational metrics are annually aligned with priorities / focus areas for the business. Long-term incentive plans incentivise stretch performance, link executive remuneration to sustained long-term growth and act as a retention and reward tool. Stock options are used as the primary long-term incentive vehicles as your Company believes that they best align executive incentives with stakeholder interests. Your Company also grants restricted stock units as a secondary long-term incentive vehicle, to motivate and retain its executives. The ratio of stock options and restricted stock units is generally 75:25.

Your Company has integrated climate change and sustainability targets in the key responsibility areas ("KRAs") of the executive directors and senior management. Thus, emission reduction targets and other improvement targets related to climate change are also linked with the incentives provided.

### Non-executive Directors' Remuneration

Based on the recommendation of the NRC Committee, all decisions relating to remuneration of Directors are taken by your Company's Board in accordance with the shareholder's approval, wherever necessary.

Sitting fees are paid as under:

Board/Committee	Sitting Fee Per Meeting (₹)
Board	50,000
Audit Committee	25,000
All other Committees	20,000

In addition to the sitting fees, your Company also pays commission to the Non-executive Independent Directors of an amount not exceeding 1% per annum of the net profit of your Company. The amount of commission payable is determined after assigning weightage to various factors, which, *inter alia*, include providing strategic perspective, Chairmanship and contributions made by the Directors, type of meeting and responsibilities under various statutes, performance evaluation, etc. Based on the performance evaluation of each Director and the remuneration policy, the Board has recommended an amount of ₹ 370 lakh as commission to be paid to the Non-executive Directors for the financial year 2022-23.

Details of remuneration paid/to be paid to the Non-executive/Independent Directors for FY 2022-23 are as under:

Name of the Directors	(₹ in lakh)	
	Commission	Sitting Fees (for Board and the Committees)
Mr. Kumar Mangalam Birla	-	4.20
Smt. Rajashree Birla <sup>1</sup>	144.00	2.90
Ms. Ananyashree Birla <sup>2</sup>	2.50	0.50
Mr. Aryaman Vikram Birla <sup>2</sup>	2.50	0.50
Ms. Anita Ramachandran	28.50	5.70
Mr. N. Mohan Raj	33.50	5.40
Mr. Yazdi Piroj Dandiwala <sup>3</sup>	3.50	0.70
Dr. Thomas M. Connelly, Jr.	28.00	5.65
Mr. V. Chandrasekaran	30.00	6.05
Mr. Adesh Kumar Gupta	32.00	6.50
Mr. Cyril Shroff	9.00	1.40
Mr. Raj Kumar <sup>4</sup>	12.50	2.50
Dr. Santrupt Misra	18.00	3.60
Mr. Shailendra Kumar Jain <sup>5</sup>	26.00	4.30
<b>Total</b>	<b>370.00</b>	<b>49.90</b>

- Smt. Rajashree Birla, leads the entire CSR initiatives and monitors its implementation for the Company. She is deeply involved in identifying and planning the areas of social impact and then closely monitors the progress of such CSR activities. For her exemplary contributions, she has won many awards and accolades the most outstanding one has been that of the Government of India which bestowed the 'Padma Bhushan' Award in 2011 on Smt. Rajashree Birla in the area of 'Social Work'. Profile of Smt. Rajashree Birla, mentioned above highlights her social work.
- Appointed as Non-executive Director w.e.f. 6<sup>th</sup> February 2023.
- Appointed as an Independent Director w.e.f. 6<sup>th</sup> February 2023.
- Out of sitting fees of ₹ 2.50 lakh for FY 2022-23, ₹ 1.50 lakh paid to LIC and ₹ 1 lakh to Mr. Raj Kumar and Commission for FY 2022-23 will be paid to LIC.
- Resigned as Non-executive Director w.e.f. 1<sup>st</sup> February 2023.

#### Notes:

There were no pecuniary relationships or transactions between your Company and its Non-executive/Independent Directors during the year.

#### Executive Directors' Remuneration

The NRC Committee while recommending to the Board the remuneration of Executive Directors, considers the performance of the business, individual performance, practices followed in other similar sized companies, among others, while also ensuring that the remuneration is in compliance with the terms and conditions of appointment as approved by the Members. All decisions relating to the remuneration of Executive Directors is taken by the Board

based on the remuneration policy and in terms of the resolution passed by the Members of your Company.

Executive Director	Salary, Benefits, Bonus, Pension, etc., paid during the Year (₹ in lakh)	Performance-linked Incentive paid during the Year <sup>1</sup> (₹ in Lakh)	Perquisite value of stock options/RSUs exercised during the year (₹ in lakh)
Mr. Harikrishna Agarwal, Managing Director	598.26	325.34	75.93

- The Board has approved payment of performance - linked variable pay for the FY 2021-22 as aforesaid to the Managing Director on achievement of the target.
- Service Contract, Notice Period and Severance Fee:** The Managing Director's appointment may be terminated by three months' notice in writing on either side and no severance fees is payable to the Managing Director of the Company.
- Stock Option Details:** During the period under review, in terms of the Company's Employee Stock Option Scheme 2018 (ESOS 2018), Mr. Harikrishna Agarwal has been granted 56,817 Stock Options and 7,327 RSUs. 41,563 Stock Options and 4,172 RSUs have also been vested in Mr. Agarwal. In terms of the Company's ESOS 2018, Mr. Harikrishna Agarwal has exercised 4,665 RSUs.

#### Employee Stock Options Schemes (ESOS)

- ESOS-2006**  
During the year, the Stakeholders' Relationship Committee of the Board of Directors allotted 4,510 equity shares of ₹ 2 each of the Company to Stock Option Grantees, pursuant to the exercise of the Stock Options under ESOS-2006. During the year, ESOS-2006 has been completed.
- ESOS-2013**  
During the year, the Stakeholders' Relationship Committee of the Board of Directors allotted 1,32,190 equity shares of ₹ 2 each of the Company to Stock Option Grantees, pursuant to the exercise of the Stock Options under ESOS-2013.
- ESOS- 2018**  
During the year, the NRC of the Board of Directors approved grant of 5,77,185 Stock Options and 1,82,193

Restricted Stock Units ('RSUs') to the eligible employees, including Managing Director of the Company, under ESOS-2018. The ESOS-2018 is being administered through the Grasim Employees' Welfare Trust ('Trust').

1,73,169 equity shares were transferred from the Trust account to the employees account on account of exercise of Stock Options and RSUs by the grantees.

#### d) ESOS 2022

Pursuant to the approval of the shareholders at the AGM held on 29<sup>th</sup> August 2022, a new scheme viz. 'Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022' ('ESOS-2022') has been adopted in terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB & SE Regulations'). The ESOS-2022 is being administered through the Grasim Employees' Welfare Trust ('Trust').

During the year, no Stock Options or PSUs were granted under ESOS-2022.

The details of Stock Options granted pursuant to ESOS-2006 and the Stock Options and RSUs granted pursuant to ESOS-2013 and ESOS-2018, and the other disclosures in compliance with the provisions of the SEBI SBEB & SE Regulations, are available on your Company's website at <https://www.grasim.com/Upload/PDF/esos-disclosure-2023.pdf>

A certificate from the Secretarial Auditors, with respect to implementation of your Company's ESOS, will be available at the ensuing AGM for inspection by the Members.

#### Directors and Officers Insurance:

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Insurance Policy ('D&O') for all its Directors (including Independent Directors) and Members of the Senior Management for such quantum and for such risks as determined.

#### 3. STAKEHOLDERS' RELATIONSHIP COMMITTEE Composition, Meeting and Attendance

The Stakeholders' Relationship Committee ('SRC') comprises of 2 Independent Director and 1 Executive Director. The composition of the SRC complies with the requirements of the Listing Regulations and the Act.

During the year, 2 (Two) SRC meetings were held on 1<sup>st</sup> November 2022 and 28<sup>th</sup> March 2023.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the SRC meetings held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Ms. Anita Ramachandran (Chairperson)	Independent Director	2	2
Mr. Yazdi Piroj Dandiwala <sup>1</sup>	Independent Director	1	1
Mr. Harikrishna Agarwal	Managing Director	2	2
Mr. Shailendra Kumar Jain <sup>2</sup>	Non-executive Director	1	1

- Appointed as the Member of the Committee w.e.f. 6<sup>th</sup> February 2023
- Ceased to be the Member of the Committee w.e.f. 1<sup>st</sup> February 2023

During the year, the SRC was reconstituted on 6<sup>th</sup> February 2023.

The Company Secretary acts as Secretary to the SRC and is the Compliance Officer.

Ms. Anita Ramachandran, Chairperson of the SRC attended the last Annual General Meeting of the Company held on 29<sup>th</sup> August 2022.

#### Brief Description of the Terms of Reference

- To monitor complaints received by your Company from its Shareholders, Debenture holders, other security holders, Securities and Exchange Board of India ('SEBI'), Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. and action taken by your Company for redressing the same;
- To approve allotment of shares, debentures or any other securities as per the authority conferred/to be conferred to the Committee by the Board of Directors from time to time;
- To approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;
- To authorise Officers of your Company to approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities;

5. To approve and ratify the action taken by the authorised officers of your Company in compliance of the requests received from the shareholders/investors for issue of duplicate/ replacement/ consolidation/ sub-division, dematerialisation, rematerialisation and other purposes for the shares, debentures and other securities of your Company;
6. To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of your Company;
7. To give directions for monitoring the stock of blank stationery and for printing of stationery required by the Secretarial Department of your Company from time to time for issuance of share certificates, debenture certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery;
8. To review the measures taken to reduce the quantum of unclaimed dividend/ interest and ensuring timely receipt of dividend warrants/ Annual Reports/ statutory notices by the shareholders of your Company;
9. To resolve grievances of security holders including complaints related to transfers/transmission of shares, non-receipt of Annual Report, non-receipt of dividends, issue of new/duplicate certificates, general meetings, etc.;
10. To review measures taken for effective exercise of voting rights by shareholders;
11. To review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Transfer Agent; and
12. To perform such other acts, deeds, and things as may be delegated to the Committee by the Board from time to time.

#### Shareholders' Complaints

The number of shareholders' complaints received and resolved as on 31<sup>st</sup> March 2023 is given in the 'Shareholders' Information' section, which forms an integral part of this Annual Report.

#### Compliance Officer

Mr. Sailesh Kumar Daga, Company Secretary acts as the Compliance Officer of the Company. The Compliance Officer briefs the SRC on the grievances/queries of the investors and the steps taken by the Company for redressing their

grievances. The Compliance Officer can be contacted at: Grasim Industries Limited, Aditya Birla Centre, 'A' Wing, 2<sup>nd</sup> Floor, S. K. Ahire Marg, Worli, Mumbai - 400 030  
Tel: +91-22-66525000, +91-22-24995000,  
E-mail: [grasim.secretarial@adityabirla.com](mailto:grasim.secretarial@adityabirla.com)

#### 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE Composition, Meeting and Attendance

The Corporate Social Responsibility Committee ('CSR Committee') comprises of 1 Non-executive Director, 1 Independent Director and 1 Executive Director. The CSR Committee recommends to the Board the CSR activities to be undertaken during the year and the amount to be spent on these activities and monitor its progress.

During the year, 2 (Two) CSR Committee meetings were held on 23<sup>rd</sup> May 2022 and 20<sup>th</sup> March 2023.

The CSR Report forms an integral part of this Annual Report.

The recommendations of the CSR Committee have been accepted by the Board.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the CSR Committee meetings held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Smt. Rajashree Birla (Chairperson)	Non-executive Director	2	2
Ms. Anita Ramachandran	Independent Director	2	2
Mr. Harikrishna Agarwal	Managing Director	2	2
Mr. Shailendra Kumar Jain*	Non-executive Director	1	1

\*Ceased to be the Member of the Committee w.e.f. 1<sup>st</sup> February 2023

During the year, the CSR Committee was reconstituted on 6<sup>th</sup> February 2023.

Dr. Pragnya Ram, Group Executive President, CSR is a permanent invitee to the CSR Committee meetings.

The Company Secretary acts as the Secretary to the CSR Committee.

#### 5. RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

##### Composition, Meeting and Attendance

The Composition of Risk Management and Sustainability Committee ('RMSC') is in line with the provisions of the Listing Regulations, which comprises of 3 Independent Directors, 1 Executive Director and 3 Senior Executives of the Company.

During the year, 2 (Two) meetings of the RMSC were held on 15<sup>th</sup> July 2022 and 9<sup>th</sup> January 2023.

The Board's Report and Management Discussion and Analysis Report set out the risks identified and mitigation plans thereof.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the RMSC meeting held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Mr. N. Mohan Raj, Chairman	Independent Director	2	2
Dr. Thomas M. Connelly, Jr.	Independent Director	2	2
Mr. V. Chandrasekaran	Independent Director	2	2
Mr. Harikrishna Agarwal	Managing Director	2	2
Mr. Jayant V. Dhobley	Business Head - CFI	2	2
Mr. Rakshit Hargave <sup>1</sup>	CEO - Paints	1	1
Mr. Kalyan Ram Madabhushi <sup>2</sup>	COO Pulp & Fibre	1	1
Mr. Thomas Varghese <sup>3</sup>	Business Head - Textiles	2	1

1. Appointed as the Member of the Committee w.e.f. 12<sup>th</sup> August 2022.

2. Ceased to be the Member of the Committee w.e.f. 12<sup>th</sup> August 2022.

3. Ceased to be the Member of the Committee w.e.f. 31<sup>st</sup> March 2023.

Note: Mr Kapil Agarwal, Business Head - Textile, appointed as the member of the Committee w.e.f. 1<sup>st</sup> April 2023 in place of Mr. Thomas Varghese.

During the year, the RMSC was reconstituted on 12<sup>th</sup> August 2022 and 14<sup>th</sup> February 2023.

The Chief Financial Officer is the Permanent Invitee to the Committee Meetings. The Company Secretary acts as the Secretary to the RMSC Committee.

Mr. Surya Valluri, Chief Sustainability Officer of the Company inducted as the Permanent Invitee to the Committee with effect from 16<sup>th</sup> June 2022.

The recommendations, if any, of the RMSC have been accepted by the Board.

##### Brief Description of the Terms of Reference

1. To formulate Risk Management Policy and implement Risk Management Framework for identifying, assessing, monitoring, reviewing and devising mitigation plans in respect of the internal and external risks associated with the Company including financial, operational, sectoral, sustainability, cyber security risks, or any other risk;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To review Risk Management Policy from time to time;
4. Overseeing the Company's sustainability performance and ensuring adequacy of the Company's sustainability framework;
5. Advising the Board on sustainability policies and management systems;
6. Ensuring effective implementation of governance, advocacy and public relation mechanisms and practices related to Sustainability;
7. Evaluating emerging sustainability risks in terms of intensity and impact, in turn, guiding the management on reasonable avoidance of adversities likely to pose a threat to sustained growth; and
8. Advising the Board to enable it to discharge its responsibilities, having regard to the law and the expected international standards of sustainability and stakeholder governance.

#### 6. FINANCE COMMITTEE

##### Composition, Meetings and Attendance

The Finance Committee of the Board of Directors comprises of 1 Non-executive Director, 1 Independent Director and 1 Executive Director.

During the year, 8 (Eight) Finance Committee meetings were held on 2<sup>nd</sup> May 2022, 14<sup>th</sup> May 2022, 27<sup>th</sup> July 2022, 23<sup>rd</sup> September 2022, 1<sup>st</sup> November 2022, 2<sup>nd</sup> December 2022, 23<sup>rd</sup> January 2023 and 8<sup>th</sup> March 2023.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the Finance Committee meetings held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Mr. Harikrishna Agarwal, Chairman <sup>1</sup>	Managing Director	8	8
Mr. Adesh Kumar Gupta	Independent Director	8	8
Dr. Santrupt Misra <sup>2</sup>	Non-executive Director	1	1
Mr. Shailendra Kumar Jain <sup>3</sup>	Non-executive Director	7	7

1. Appointed as the Chairman of the Committee w.e.f. 6<sup>th</sup> February 2023.
2. Appointed as the Member of the Committee w.e.f. 6<sup>th</sup> February 2023.
3. Ceased to be the Member of the Committee w.e.f. 1<sup>st</sup> February 2023.

During the year, the Finance Committee was reconstituted on 6<sup>th</sup> February 2023. The Company Secretary acts as Secretary to the Finance Committee.

The Finance Committee is authorised to exercise all powers and discharge all functions relating to working capital management, foreign currency contracts, operation of bank accounts and authorising officers of your Company to deal in matters relating to excise, GST, income tax, customs etc.

## 7. PIT REGULATION COMMITTEE

### Composition, Meetings and Attendance

The PIT Committee comprises of 1 Independent Director and 1 Non-executive Director and 1 Executive Director.

During the year, 2 (Two) PIT Regulation Committee Meetings were held on 18<sup>th</sup> November 2022 and 28<sup>th</sup> March 2023.

The Company Secretary acts as Secretary to the PIT Regulation Committee.

The details of composition as on 31<sup>st</sup> March 2023 and attendance of the members at the PIT Regulation Committee Meeting held are as given below:

Name of the Members	Categories	No. of Meetings	
		Held during the tenure	Attended
Mr. V. Chandrasekaran, Chairman	Independent Director	2	2
Dr. Santrupt Misra	Non-executive Director	2	2
Mr. Harikrishna Agarwal	Managing Director	2	2

### SUBSIDIARY COMPANIES

UltraTech Cement Limited and Aditya Birla Capital Limited are the material listed subsidiaries of the Company. The Company does not have any material unlisted Indian subsidiary Company as defined under the Listing Regulations. The Company has formulated a Policy for Determining Material Subsidiaries, which is available on the Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_Policy\\_Material\\_Subsubsidiary\\_Cos.pdf](https://www.grasim.com/upload/pdf/Grasim_Policy_Material_Subsubsidiary_Cos.pdf)

The Audit Committee reviews the financial statements of the subsidiary companies and, in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings as well as statements of all significant transactions of the unlisted subsidiary companies are placed before the Board of Directors of the Company for its review.

### GENERAL BODY MEETINGS

Details of the General Meetings of the Company held during the last 3 years are as follows:

Financial Year/Type of Meeting	Date and Time	Location	Particulars of Special Resolution
2019-20 / 73 <sup>rd</sup> Annual General Meeting	14 <sup>th</sup> September 2020, 3:00 p.m.	Through Video Conference/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Alteration of the Object Clause of the Memorandum of Association of the Company.</li> <li>Alteration to the Articles of Association of the Company.</li> <li>Continuation of Smt. Rajashree Birla as a Non-executive Director of the Company.</li> <li>Re-appointment and continuation of Mr. Shailendra Kumar Jain as Director of the Company.</li> </ul>
2020-21 / Extra-Ordinary General Meeting	22 <sup>nd</sup> February 2021, 3:00 p.m.	Through Video Conference/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Alteration of the Object Clause of the Memorandum of Association of the Company.</li> </ul>
2020-21 / 74 <sup>th</sup> Annual General Meeting	27 <sup>th</sup> August 2021 3:00 p.m.	Through Video Conference/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Payment of Commission to Non-executive Directors of the Company.</li> </ul>
2021-22 / NCLT Convened Meeting	16 <sup>th</sup> April 2021, 3:00 p.m. (Equity Shareholders) 4:00 p.m. (Secured Creditors) 5:00 p.m. [Unsecured Creditors (including unsecured debenture holders)]	Through Video Conference/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Approval of the Scheme of Arrangement between Grasim Industries Limited and Indorama India Private Limited and their respective shareholders and creditors.</li> </ul>
2021-22 / 75 <sup>th</sup> Annual General Meeting	29 <sup>th</sup> August 2022, 11.30 a.m.	Through Video Conference/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Continuation of Smt. Rajashree Birla as a Non-executive Director of the Company.</li> <li>Continuation of Mr. Shailendra Kumar Jain as a Non-executive Director of the Company.</li> <li>Appointment of Ms. Anita Ramachandran as an Independent Director for a second term.</li> <li>Adoption of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022.</li> <li>Extending the benefits of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022 to the employees of the Group companies, including subsidiary and associate companies of the Company.</li> <li>Approval of (a) the use of the trust route for the implementation of the Grasim Industries Limited Employee Stock Option and Performance Stock Unit Scheme 2022 (the Scheme 2022); (b) secondary acquisition of the equity shares of the Company by the trust; and (c) grant of financial assistance/provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2022.</li> </ul>

### Postal Ballot

#### i. Details of special resolution passed by Postal Ballot:

During the year under review, below resolution was passed by means of postal ballot on 21<sup>st</sup> March 2023:

- Appointment of Mr. Yazdi Piroj Dandiwala as an Independent Director of the Company

#### ii. Details of Voting Pattern:

Mode of Voting	Total Shares	No. of votes polled	In favour		Against	
			No. of Votes	% of Votes	No. of Votes	% of Votes
E-voting	65,84,01,686	47,21,11,294	46,04,33,481	97.5265	1,16,77,813	2.4735

### iii. Person who conducted the aforesaid postal ballot exercise:

Mr. Ashish Garg, Practicing Company Secretary (FCS 5181 & C.P. No. 4423) conducted the aforesaid postal ballot exercise in a fair and transparent manner.

### iv. Whether any special resolution is proposed to be conducted through postal ballot:

No Special Resolution is currently proposed to be conducted through postal ballot.

### v. Procedure followed for Postal Ballot:

Pursuant to and in compliance with the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act and the rules made thereunder and Regulation 44 of the listing regulations Secretarial Standard-2 on General Meetings ('SS-2'), read with the guidelines prescribed by the Ministry of Corporate Affairs ('MCA') for holding general meetings / conducting postal ballot process through e-voting vide General Circulars No. 14/2020 dated 8<sup>th</sup> April 2020, No. 17/2020 dated 13<sup>th</sup> April 2020, No. 22/2020 dated 15<sup>th</sup> June 2020, 33/2020 dated 28<sup>th</sup> September 2020, No. 39/2020 dated 31<sup>st</sup> December 2020, No. 10/2021 dated 23<sup>rd</sup> June 2021, No. 20/2021 dated 8<sup>th</sup> December 2021, No. 3/2022 dated 5<sup>th</sup> May 2022 and No. 11/2022 dated 28<sup>th</sup> December 2022 issued by MCA and other applicable laws and regulations, as amended from time to time, the notice was sent to the Members of the Company to transact the special business as set out in the postal ballot notice for passing Ordinary / Special Resolution, as applicable, by remote e-voting process ('remote e-voting') only.

The Company had provided facility to the Members to exercise voting through electronic voting system ('remote e-voting') on the e-voting platform provided by KFin Technologies Limited, Registrar and Share Transfer Agent of the Company ('KFinTech').

Members whose names appears in the Register of Members / List of Beneficial Owners as on the cut-off date i.e., Wednesday, 15<sup>th</sup> February 2023 were eligible to cast their votes on the resolutions set out in the Notice. A person who was not a Member as on the cut-off date treated the Notice for information purpose only.

The Scrutiniser, after the completion of scrutiny, submitted his report in accordance with the provisions of the Act, the Rules framed thereunder and the SS-2. The consolidated results of the voting by postal ballot and e-Voting were then announced on 23<sup>rd</sup> March 2023 and are also available on the Company's website at [www.grasim.com](http://www.grasim.com) besides being communicated to BSE Limited ('BSE'), National Stock Exchange of India Limited ('NSE').

## MEANS OF COMMUNICATION

- Copies of the press release, quarterly presentations on the Company's performance, official news release and presentation made to Institutional Investors/Analysts are hosted on the Company's website at [www.grasim.com](http://www.grasim.com) and the Group's website at [www.adityabirla.com](http://www.adityabirla.com).

- Quarterly Results:

Results are generally published in:

Newspaper	Cities of Publication
Business Standard	All Editions
Nai Dunia	Indore Edition

Results are displayed on the Company's website at <https://www.grasim.com/investors/results-reports-and-presentations> and at [www.adityabirla.com](http://www.adityabirla.com)

- At the end of each quarter, the Company organises earnings call with the analysts and investors and the transcripts of the same are thereafter uploaded on the website at <https://www.grasim.com/investors/results-reports-and-presentations>
- Disclosures pursuant to various provisions of the Listing Regulations, as applicable, are promptly communicated to the Stock Exchanges where the securities of the Company are listed, and are also displayed on the Company's website at <https://www.grasim.com/investors/results-reports-and-presentations>
- The Company has engaged KFinTech to enable Members to attend the AGM through video conference ('VC')/other audio-visual means ('OAVM') or view the live webcast of the AGM at <https://emeetings.kfintech.com>.

## DISCLOSURES

### (i) Details of materially significant Related Party Transactions that may have a potential conflict with the interest of the Company at large

During the year, no material transactions with any related party as defined under the Act and the Listing Regulations have been entered into, which have a potential conflict with the interest of the Company at large. All contracts/arrangements/ transactions entered into by your Company with its related parties were on an arm's-length basis and in the ordinary course of business. All related party transactions have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis. Attention of the members is drawn to Note 4.6 of the Standalone Financial Statements, forming part of this Annual Report, which sets out the related party disclosures.

The Policy on Related Party Transactions, as approved by the Audit Committee and the Board is available on the Company's website at [https://www.grasim.com/upload/pdf/Grasim\\_policy\\_on\\_RPT.pdf](https://www.grasim.com/upload/pdf/Grasim_policy_on_RPT.pdf)

### (ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years

The Company has complied with all the provisions of Listing Regulations as well as other regulations and guidelines of the Securities and Exchange Board of India ('SEBI'). There have been no instances of non-compliance by the Company on any matters related to capital markets during the last 3 years and, hence, no penalty or strictures are imposed by SEBI or the Stock Exchanges or any Statutory Authority.

### (iii) Details of the Directors seeking appointment/re-appointment are provided in the Notice of the Annual General Meeting.

### (iv) Confirmation of Criteria of Independence

Your Company's Board confirms that the Independent Directors fulfil the conditions specified in the Act and Listing Regulations and are independent of the management.

### (viii) Total Fees paid to Statutory Auditors

Total fees for all services paid by your Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part is ₹ 15.27 crore for the financial year 2022-23.

					₹ in crore
Sr. No	Entity Name	M/s. KKC & Associates LLP and its affiliates	B S R & Co. LLP and its affiliates	S R B C & Co. LLP and its affiliates	Total
1	Grasim Industries Limited				
	Audit	1.45	1.62	0.22	3.29
	Others	0.02	0.11	-	0.13
	<b>Total</b>	<b>1.47</b>	<b>1.73</b>	<b>0.22</b>	<b>3.42</b>
<b>Subsidiaries</b>					
2	UTCL	2.42	3.25	0.25	5.92
3	ABCL	0.52	1.73	2.35	4.60
4	Other Subsidiaries	1.17	-	0.16	1.33
	<b>Grand Total</b>	<b>5.58</b>	<b>6.71</b>	<b>2.98</b>	<b>15.27</b>

### (ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- Number of complaints filed during the financial year: 4
- Number of complaints disposed off during the financial year: 2
- Number of complaints pending as on end of the financial year: 2

### (v) Proceeds from Public Issues, Rights Issues, Preferential Issues, etc.

During the year, the Company has not raised any proceeds by way of public issue, rights issue or preferential issue of equity shares.

### (vi) Management Discussion and Analysis/Disclosure of Accounting Treatment

a) Management Discussion and Analysis is given in a separate section forming an integral part of this Annual Report and is in accordance with the requirements laid out in the Listing Regulations.

b) The Company follows all relevant Accounting Standards while preparing the Financial Statements.

### (vii) Certification by Practicing Company Secretary

As per the Listing Regulations, the Company has obtained a certificate from the Company Secretary in practice that none of the Directors on the Board of the Company has been debarred or disqualified, from being appointed or continuing as Directors, by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such authority and the same is appended as an Annexure to this Report.

**(x) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount**

There have been no loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.

**(xi) Details of material subsidiaries of the listed entity**

Sr. No.	Name of the material subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor(s)	Date of appointment of Statutory Auditor(s)
1	Aditya Birla Capital Limited	15/10/2007	Mumbai, Maharashtra	M/s. BSR & Co. LLP, Chartered Accountants	20 <sup>th</sup> August 2021
2	UltraTech Cement Limited	24/08/2000	Mumbai, Maharashtra	M/s. BSR & Co. LLP, Chartered Accountants, M/s. KKC & Associates LLP, Chartered Accountants	12 <sup>th</sup> August 2020 18 <sup>th</sup> August 2021

**(xii) Managing Director and Chief Financial Officer Certification**

In terms of provisions of Regulation 17(8) of the Listing Regulations, certificate from Managing Director and Chief Financial Officer of the Company is appended as an Annexure to this Report.

- e. The Internal Auditors have direct access to the Audit Committee and their representative participates in the Audit Committee meetings and present their observations to the Audit Committee when the audit matter is discussed.

**REPORT ON CORPORATE GOVERNANCE**

This Corporate Governance Report forms an integral part of this Annual Report. The Company is fully compliant with all the provisions of the Listing Regulations, as applicable to the Company.

**COMPLIANCES**

- Your Company confirms the compliances with Corporate Governance requirements as specified in the Listing Regulations.
- A Certificate from the Statutory Auditor, confirming compliance with all the conditions of Corporate Governance as stipulated in the Listing Regulations, is given as 'Annexure B' to the Board's Report and forms part of this Annual Report.
- There is a separate section for general Shareholder Information, which forms an integral part of this Annual Report.
- Name and Designation of Compliance Officer: Mr. Sailesh Kumar Daga, Company Secretary.
- During the year, all recommendations of the Committees of the Board, which were required have been accepted by the Board.

**(xiii) Website**

Your Company's website at [www.grasim.com](http://www.grasim.com) has a dedicated section for investor relations containing the Financial Results, Shareholding Pattern, Annual Reports, Quarterly Reports, updates/intimations filed with Stock Exchange(s), various policies adopted by the Board. Other general information like history of the Company, business carried out by the Company, details of the Board of Directors, Key Managerial Personnel and Business Heads of the Company, is also available on the Company's website.

**(xiv) Status of Compliance of Non-Mandatory Requirement**

- Your Company maintains a separate office for the Non-executive Chairman. All necessary infrastructure and assistance are made available to enable him to discharge his responsibilities.
- Financial results of the Company is being sent to the shareholders on quarterly basis through email.
- There are no audit qualifications on the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2023.
- The position of the Chairman of the Board of Directors and the Managing Director is separate and the Chairman is a Non-executive Director and not related to Managing Director of the Company.

**CODE OF CONDUCT DECLARATION**

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended 31<sup>st</sup> March 2023.

Place : Mumbai  
Date : 26<sup>th</sup> May 2023

**Harikrishna Agarwal**  
Managing Director  
DIN: 09288720

**CEO / CFO CERTIFICATION****The Board of Directors  
Grasim Industries Limited****We certify that:**

- We have reviewed the Financial Statement read with the Cash Flow Statement of Grasim Industries Limited ("the Company") for the year ended 31<sup>st</sup> March 2023 and to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
- We have indicated to the Auditors and the Audit Committee:
  - significant changes in the internal control over financial reporting during the year;
  - significant changes in accounting policies during the year, if any, and that the same have been disclosed in the Notes to the Financial Statements;
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or other employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai  
Date : 26<sup>th</sup> May 2023

**Harikrishna Agarwal**  
Managing Director  
DIN: 09288720

**Pavan Kumar Jain**  
Chief Financial Officer

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Grasim Industries Limited**  
Birlagram, Nagda - 456331,  
District - Ujjain, Madhya Pradesh, India.

We, BNP & Associates, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Grasim Industries Limited having CIN L17124MP1947PLC000410 and having its registered office at Birlagram, Nagda - 456331, District - Ujjain, Madhya Pradesh, India (hereinafter referred to as 'the Company'), produced before us through the virtual data room / physically by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including verification of Directors Identification Number (DIN) status] in terms of the portal of Ministry of Corporate Affairs Government of India (MCA) [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and pursuant to explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ended on 31<sup>st</sup> March 2023 have been debarred or disqualified from appointment or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other statutory regulatory authority.

Sr. No	DIN	Name of the Directors	Designation	Date of Appointment *
1	00012813	Mr. Kumar Mangalam Birla	Non-executive Director (Chairman)	14/10/1992
2	00022995	Smt. Rajashree Birla	Non-executive Director	14/03/1996
3	06625036	Ms. Ananyashree Birla	Non-executive Director	06/02/2023
4	08456879	Mr. Aryaman Vikram Birla	Non-executive Director	06/02/2023
5	00118188	Ms. Anita Ramachandran	Independent Director	14/08/2018
6	00181969	Mr. Mohanraj Narendranathan Nair	Independent Director	12/07/2019
7	01055000	Mr. Yazdi Piroj Dandiwala	Independent Director	06/02/2023
8	03083495	Dr. Thomas Martin Connelly Jr.	Independent Director	20/08/2010
9	03126243	Mr. Venkatadri Chandrasekaran	Independent Director	24/05/2021
10	00020403	Mr. Adesh Kumar Gupta	Independent Director	24/05/2021
11	00018979	Mr. Cyril Suresh Shroff	Independent Director	25/07/2000
12	06627311	Mr. Raj Kumar	Non-executive Director	12/11/2021
13	00013625	Dr. Santrupt Misra	Non-executive Director	13/06/2020
14	09288720	Mr. Harikrishna Agarwal	Managing Director	01/12/2021

\*Date of appointment of Directors as appearing on MCA Portal.

Ensuring the eligibility of every Director for appointment / continuity on the Board is the responsibility of the Management of the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

For **BNP & Associates**  
Company Secretaries  
FRN.: P2014MH037400  
PR No.: 637/2019

**Avinash Bagul**  
Partner  
FCS No.: F5578  
COP No.: 19862  
UDIN: F005578E000364521

Place: Mumbai  
Date: 26<sup>th</sup> May 2023

## Shareholder Information

### 1. ANNUAL GENERAL MEETING

Day, Date, Time and Venue	Friday, 25 <sup>th</sup> August 2023 at 11.30 a.m. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)
Participation through VC/OAVM for Annual General Meeting ('AGM')/ Webcast	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>

### 2. FINANCIAL CALENDAR FOR REPORTING

Financial Year of the Company	1 <sup>st</sup> April to 31 <sup>st</sup> March
First quarter end	On or before 14 <sup>th</sup> August 2023
Second quarter and half year end	On or before 14 <sup>th</sup> November 2023
Third quarter end	On or before 14 <sup>th</sup> February 2024
Fourth quarter and year end	On or before 30 <sup>th</sup> May 2024
AGM for the year ending 31 <sup>st</sup> March 2024	On or before 31 <sup>st</sup> August 2024

### 3. DATES OF BOOK CLOSURE

Saturday, 12<sup>th</sup> August 2023 to  
Friday, 25<sup>th</sup> August 2023 (inclusive of both days)

### 4. DIVIDEND PAYMENT DATE

On or after 28<sup>th</sup> August 2023

### 5. REGISTERED OFFICE

Birlagram, Nagda, Dist. Ujjain,  
Madhya Pradesh, India - 456331  
Tel: (07366) 246766  
E-mail: [grasim.secretarial@adityabirla.com](mailto:grasim.secretarial@adityabirla.com)

### 6. WEBSITE

[www.grasim.com](http://www.grasim.com)

### 7. CORPORATE IDENTIFICATION NUMBER (CIN)

L17124MP1947PLC000410

### 8. LISTING DETAILS

#### (a) Equity Shares, Non-convertible Debentures and Global Depository Receipts ('GDRs'):

Equity Shares and Non-convertible Debentures	GDRs
<b>BSE Limited ('BSE')</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001	<b>Luxembourg Stock Exchange ('LSE')</b> Societe de la Bourse de Luxembourg P. O. Box 165, L-2011 Luxembourg, Grand Duchy of Luxembourg, Europe
<b>National Stock Exchange of India Limited ('NSE')</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051	

**Note:** Annual Listing Fees for the financial year 2023-24 has been paid to all Stock Exchanges and no amount is outstanding.

**(b) Non-Convertible Debentures**

The Company had issued unsecured redeemable non-convertible debentures ('NCDs') which are listed on BSE and/or NSE. The details are as under:

Series	Date of Issue	ISIN	Principal Amount (₹ in crore)	Maturity Date	Debenture Trustee
Series 1920/I 7.85% GIL2024	2 <sup>nd</sup> April 2019	INE047A08141	500	15 <sup>th</sup> April 2024	IDBI Trusteeship Services Limited
Series 1920/II 7.60% GIL2024	4 <sup>th</sup> June 2019	INE047A08158	750	4 <sup>th</sup> June 2024	
Series 20-21 I 5.90% GIL 2023	17 <sup>th</sup> June 2020	INE047A08174	500	16 <sup>th</sup> June 2023	
Series 21-22 I 6.99% GIL 2031	5 <sup>th</sup> April 2021	INE047A08182	1,000	4 <sup>th</sup> April 2031	
Series 22-23 I, 7.50% GIL 2027	10 <sup>th</sup> June 2022	INE047A08190	1,000	10 <sup>th</sup> June 2027	
Series 22-23 II, 7.63% GIL 2027	1 <sup>st</sup> December 2022	INE047A08208	1,000	1 <sup>st</sup> December 2027	

Note: Series-18-19/I 17.65% GIL2022 (₹ 500 crore), Series-19-20/III 6.65% GIL2023 (₹ 500 crore) and 30<sup>th</sup> Series I 9.00% GIL2023 (₹ 200 crore) NCDs were redeemed on 15<sup>th</sup> April 2022, 17<sup>th</sup> February 2023 and 10<sup>th</sup> May 2023 respectively.

**(c) Commercial Paper**

In terms of Securities and Exchange Board of India ('SEBI') Circular no. SEBI/HO/DDHS/P/CIR/2021/613 Operational Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 10<sup>th</sup> August 2021, as amended from time to time, the Company has no outstanding Commercial Paper as on 31<sup>st</sup> March 2023.

**(d) Name and address of Trustees for the Debenture holders**

IDBI Trusteeship Services Limited  
Asian Building, Ground floor 17, R. Kamani Marg,  
Ballard Estate, Mumbai- 400001  
Tel: 022 40807000  
E-mail: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

**(e) Overseas Depository for GDRs:****Citibank N.A.**

Depository Receipt Services  
390 Greenwich Street, 4<sup>th</sup> Floor, New York, 10013  
Tel: +212-723-4483; Fax: +212-723-8023

**(f) Domestic Custodian of GDRs:****Citibank N.A.**

Custodial Services  
FIFC, 9<sup>th</sup> Floor, C 54 & 55, G Block, Bandra-Kurla  
Complex, Bandra (East), Mumbai-400 051  
Tel.: 91-22-61757532/6992;  
Fax: 8000404096/ 8000404124

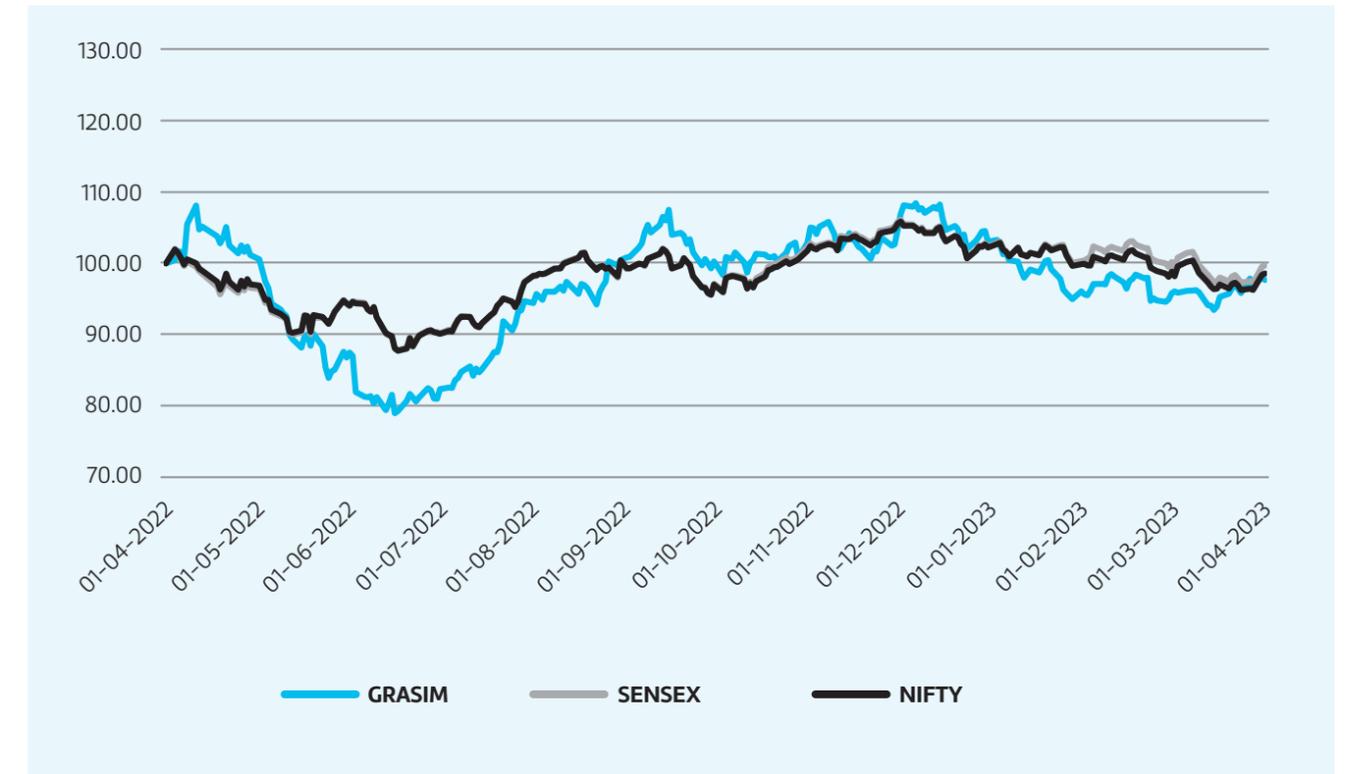
**9. STOCK CODE**

	Stock Code	Reuters	Bloomberg
BSE	500300	GRAS.BO	GRASIM IB Equity
NSE	GRASIM	GRAS.NS	GRASIM IS Equity
LSE	-	GRAS.LU	GRAS LX
ISIN of Equity Shares	INE047A01021	-	-
ISIN of GDRs	US3887061030 US3887064000	-	-

**10. MARKET PRICE DATA**

Month	BSE			No. of shares traded (in Nos.)	NSE			No. of shares traded (in Nos.)	LSE		
	High	Low	Close		High	Low	Close		High	Low	Close
	(in ₹)				(in ₹)				(in US \$)		
Apr-22	1,830.20	1,652.10	1,692.05	5,20,896	1,830.90	1,658.00	1,692.30	1,93,09,544	24.00	21.80	22.20
May-22	1,702.00	1,341.00	1,427.65	15,41,151	1,703.50	1,340.25	1,428.60	2,12,63,099	22.00	17.70	18.40
Jun-22	1,455.00	1,276.90	1,321.50	10,83,310	1,450.00	1,276.60	1,320.75	2,91,82,332	18.70	16.50	16.70
Jul-22	1,645.50	1,305.95	1,573.10	11,17,166	1,587.70	1,305.30	1,573.00	1,62,58,351	19.90	16.80	19.80
Aug-22	1,692.55	1,543.40	1,678.90	9,97,684	1,692.00	1,542.65	1,678.65	1,90,07,273	21.00	19.60	20.80
Sep-22	1,816.35	1,644.50	1,675.25	9,21,713	1,816.25	1,643.95	1,674.85	1,67,40,532	22.80	20.20	20.60
Oct-22	1,740.50	1,628.60	1,722.75	12,41,153	1,740.50	1,628.05	1,721.70	1,07,07,128	21.00	20.00	20.80
Nov-22	1,794.10	1,676.75	1,757.90	4,39,494	1,795.10	1,676.00	1,759.75	1,54,80,512	21.60	20.60	21.60
Dec-22	1,839.30	1,700.25	1,725.95	6,52,507	1,839.50	1,704.00	1,723.50	1,12,86,297	22.40	20.60	20.80
Jan-23	1,748.00	1,549.65	1,590.50	16,61,450	1,748.00	1,549.50	1,590.20	1,28,44,246	21.00	19.10	19.40
Feb-23	1,668.05	1,554.35	1,577.80	3,40,351	1,668.80	1,554.05	1,578.55	1,23,20,019	20.00	18.90	19.10
Mar-23	1,650.35	1,528.00	1,632.50	3,23,714	1,651.65	1,527.05	1,632.70	1,04,77,748	19.90	18.70	19.90

Source - NSE and BSE website; LSE-Bloomberg

**11. STOCK PERFORMANCE: PERFORMANCE OF PRICE OF EQUITY SHARE OF THE COMPANY IN COMPARISON TO THE BSE SENSEX AND NIFTY**

**12. STOCK PERFORMANCE AND RETURNS**

(In Percentage)	1 Year	3 Years	5 Years
<b>Absolute Returns (In %)</b>			
GRASIM (NSE)	(2%)	243%	55%
GRASIM (BSE)	(2%)	243%	55%
BSE Sensex	1%	100%	68%
NSE Nifty	(1%)	102%	72%
<b>Annualised Returns (In %)</b>			
GRASIM (NSE)	(2%)	51%	9%
GRASIM (BSE)	(2%)	51%	9%
BSE Sensex	1%	26%	11%
NSE Nifty	(1%)	26%	11%

**13. MARKET CAPITALISATION**

Financial Year Ended	₹ in crore	
	BSE	NSE
31 <sup>st</sup> March 2023	1,07,489	1,07,502
31 <sup>st</sup> March 2022	1,09,590	1,09,540
31 <sup>st</sup> March 2021	95,555	95,453
31 <sup>st</sup> March 2020	31,272	31,318
31 <sup>st</sup> March 2019	56,435	56,419

**14. DISTRIBUTION OF SHAREHOLDING, DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31<sup>ST</sup> MARCH 2023**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1-100	1,73,472	70.16	45,14,214	0.69
101-200	27,342	11.06	42,11,547	0.64
201-500	25,046	10.13	81,92,452	1.24
501-1,000	10,484	4.24	75,33,975	1.14
1,001-5,000	8,895	3.60	1,79,72,486	2.73
5,001-10,000	947	0.38	65,16,306	0.99
10,001 & above	1,079	0.43	60,94,91,146	92.57
<b>Total</b>	<b>2,47,265</b>	<b>100.00</b>	<b>65,84,32,126</b>	<b>100.00</b>
Physical Mode	28,644	15.19	1,83,57,768	2.79
Electronic Mode:	2,18,621	84.81	64,00,74,358	97.21
NSDL	1,27,807	49.58	58,16,66,723	88.34
CDSL	90,814	35.23	5,84,07,635	8.87

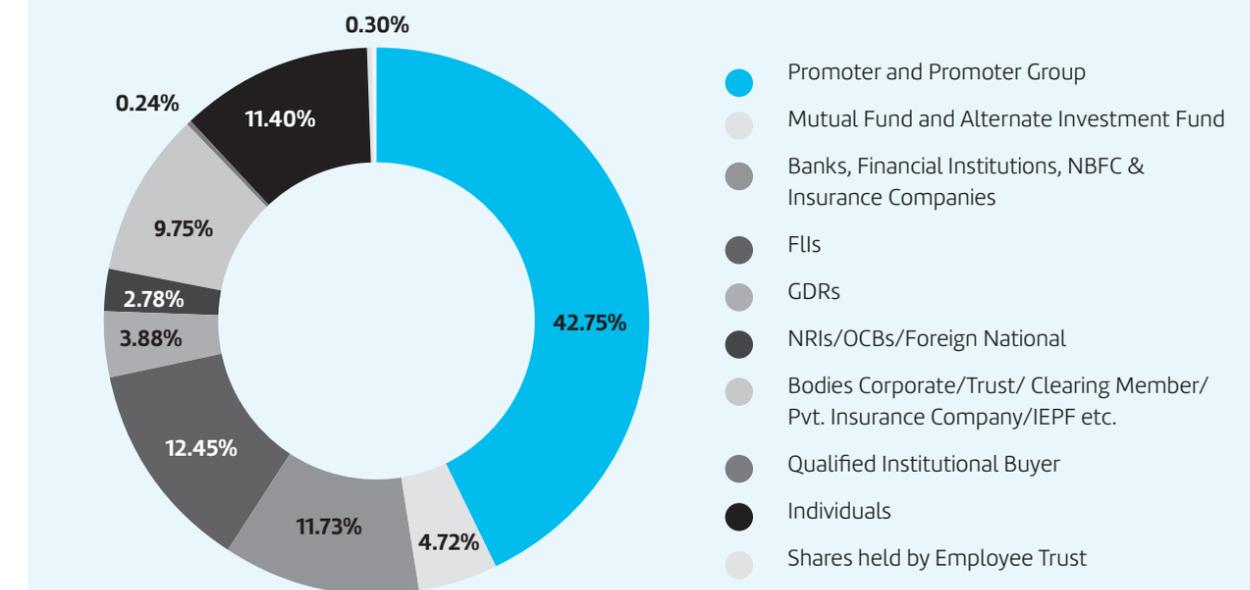
**CATEGORIES OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH 2023**

Categories	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Promoter and Promoter Group*	24	0.01	28,14,64,723	42.75
Mutual Fund and Alternate Investment Fund	63	0.03	3,10,50,401	4.72
Banks, Financial Institution, NBFC & Insurance Companies	143	0.06	7,72,35,857	11.73
FIs	573	0.23	8,19,78,189	12.45
GDRs#	1	0.00	2,55,32,519	3.88
NRIs/OCBs/Foreign Nationals	8,309	3.36	1,83,12,938	2.78
Central Government/ State Government(s)	6	0.00	9,710	0.00
Bodies Corporate/ Trust/ Clearing Member, etc.	5,354	2.17	6,41,91,042	9.75
Qualified Institutional Buyer	3	0.00	15,81,239	0.24
Individuals	2,32,788	94.14	7,50,80,381	11.40
Shares held by Employee Trust	1	0.00	19,95,127	0.30
<b>Total</b>	<b>2,47,265</b>	<b>100</b>	<b>65,84,32,126</b>	<b>100</b>

\*Includes 3,13,20,509 (4.76%) GDRs held by Promoters/Promoter Group. ECE Industries Ltd. forms part of Promoter Group. Since it's not holding any shares of the Company as on 31<sup>st</sup> March 2023 the same is not included in No. of shareholders.

# Excludes GDRs held by Promoters/Promoter Group

**Note:** Entire shareholding of the Promoter and Promoter Group is in dematerialised form.

**PERCENTAGE OF SHAREHOLDING****15. OUTSTANDING GDRS/WARRANTS AND CONVERTIBLE BONDS**

5,68,53,028 GDRs (Previous Year: 5,67,52,955 GDRs) are outstanding as on 31<sup>st</sup> March 2023. Each GDR represents one underlying equity share of the Company. There are no warrants/convertible bonds outstanding as on 31<sup>st</sup> March 2023.

**16. CORPORATE BENEFITS TO INVESTORS**

Dividend declared during the last 5 years:

Financial Year	Date of Declaration	Dividend Per Share* (in ₹)
2017-18	14.09.2018	6.20
2018-19	23.08.2019	7.00
2019-20	14.09.2020	4.00
2020-21	27.08.2021	9.00
2021-22	29.08.2022	10.00

\* Equity Share of face value of ₹ 2 each.

**17. SHARE TRANSFER SYSTEM**

SEBI had mandated that, with effect from 1<sup>st</sup> April 2019, no share can be transferred in physical form. Trading in shares of your Company is permitted only in dematerialised form.

In terms of the provisions of Regulation 40(9) of the Listing Regulations, the Company has obtained, on yearly basis, a certificate, from a Company Secretary in Practice, certifying that all Certificates/Letter of Confirmation have been issued within thirty days of the date of lodgement of the complete documents for name deletion, name change, transmission, issue of duplicate certificate and had also filed the said certificate with the Stock Exchanges.

**18. INVESTOR GRIEVANCE REDRESSAL**

During the year under review, the Company received and redressed 60 complaints of the shareholders

Nature of Complaints	2022-23	
	Received	Redressed
Non-receipt of share certificate/Letter of confirmation	12	12
Non-receipt of dividend	12	12
Transmission of shares	10	10
Issue of duplicate share certificate	08	08
IEPF related	05	05
Others (Non updation of KYCs, Name correction, etc.)	13	13
<b>Total</b>	<b>60</b>	<b>60</b>

## 19. DETAILS ON USE OF PUBLIC FUNDS OBTAINED IN THE LAST THREE YEARS

No public funds have been raised during the last three years.

## 20. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its policies. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps, principal only swaps, collars, options or a mix of all for hedging its foreign currency exposure.

The Company does not have material exposure to any commodity for which hedging instruments are available in the financial markets and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated 15<sup>th</sup> November 2018.

## 21. CREDIT RATINGS

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

Nature of Instrument	Name of Credit Rating Agency	Credit Rating Assigned
Commercial Paper	CRISIL and ICRA	A1+
NCD	CRISIL and ICRA	AAA (Stable)
Consortium Limits	CRISIL and CareEdge	AAA(Stable) Long Term, A1+ Short-Term
Out of Consortium Limits	CRISIL and CareEdge	AAA(Stable) Long Term, A1+ Short-Term
Company Rating	Indian Ratings and Research Private Limited	AAA(Stable)

## 22. REGISTRAR AND SHARE TRANSFER AGENT (RTA) & INVESTOR CORRESPONDENCE

Investor can contact the RTA of the Company relating to dividend, transmission, change of address, etc.

The contact details of RTA are as under:

Name	KFin Technologies Limited
<b>Address for correspondence</b>	Selenium Building, Tower-B, Plot No. 31 & 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032
<b>Email ID</b>	einward.ris@kfintech.com
<b>Toll Free/ Phone Number</b>	1800 309 4001

Name	KFin Technologies Limited
<b>WhatsApp Number</b>	(+91) 910 009 4099
<b>KPRISM (Mobile Application)</b>	<a href="https://kprism.kfintech.com/">https://kprism.kfintech.com/</a>
<b>KFINTECH Corporate Website</b>	<a href="https://www.kfintech.com">https://www.kfintech.com</a>
<b>RTA Website</b>	<a href="https://ris.kfintech.com">https://ris.kfintech.com</a>
<b>Investor Support Centre</b>	<a href="https://ris.kfintech.com/clientservices/isc">https://ris.kfintech.com/clientservices/isc</a>

## 23. OTHER USEFUL INFORMATION FOR SHAREHOLDERS

### Correspondence with the Company/RTA

Shareholders/Beneficial Owners are requested to quote their Folio No./DP and Client ID, in all correspondence with the Company/RTA.

All correspondence should be addressed to KFin Technologies Limited as per the details as mentioned above.

Shareholders may send correspondence through e-mail on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [grasim.secretarial@adityabirla.com](mailto:grasim.secretarial@adityabirla.com)

### Company's Website

Shareholders are requested to visit the Company's website: [www.grasim.com](http://www.grasim.com)

- for information on investor services being offered by the Company; and
- for downloading of various forms/formats.

### Common and simplified norms for investor service request

In terms of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November 2021, Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March 2023, the Company has sent individual letters dated 8<sup>th</sup> February 2023 and 24<sup>th</sup> May 2023 respectively to all the Shareholders holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. Attention of the Shareholders holding shares of the Company in physical form is invited to go through the said important communication under the weblink at <https://www.grasim.com/investors/investors-forms>.

### Furnishing of PAN, email address, mobile number, bank account details, specimen signature and nomination by holders of physical securities.

Folios wherein any one of the above-mentioned documents / details are not available on or after 1<sup>st</sup> October 2023 shall be frozen by KFin Technologies Limited (RTA) of the Company in terms of the SEBI Circular dated 16<sup>th</sup> March 2023 and you will not be eligible to lodge grievance or avail service request. Further effective 1<sup>st</sup> April 2024, payment of dividend for such frozen folios should be made through electronic mode only. The relevant forms viz., ISR 1, 2, 3, 4, 5 and SH-13 can be downloaded from the Company's website at <https://www.grasim.com/investors/investors-forms> or that of RTA website at [www.kfintech.com](http://www.kfintech.com).

After 31<sup>st</sup> December 2025, the frozen folios shall be referred by RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

**Compulsory linking of PAN and Aadhaar by all holders of physical securities** by 30<sup>th</sup> June 2023 or such other date as may be specified by the Central Board of Direct Taxes ('cut-off-date') to avoid freezing of Folios. If on cut-off date, the folios in which updated PAN is not linked with Aadhaar will be frozen.

### Dematerialisation

Dematerialisation requests, duly completed in all respects are normally processed within 15 days from the date of receipt by the RTA.

Shareholders are requested to note that if the physical documents, viz. Dematerialisation Request Form (DRF), Share Certificates, etc., are not received from their concerned Depository Participants (DPs) by the RTA within a period of 15 days from the date of generation of the Dematerialisation Request Number (DRN) for dematerialisation, the DRN will be treated as rejected/ cancelled.

Shareholders may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022 has mandated the Listed Companies to issue securities in demat form only, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Shareholders are

requested to make service requests by submitting a duly filled and signed Form ISR - 4 (Form for various service requests), the format of which is available for download from the weblink <https://www.grasim.com/investors/investors-forms>

Shareholders holding equity share(s) of the Company in physical form are requested to kindly get their equity share(s) converted into demat form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

### Non-Resident Shareholders

Non-Resident Shareholders are requested to immediately notify the following to the RTA of the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialised form:

- Indian address for sending all communications, if not provided earlier;
- Change in their residential status on return to India for permanent settlement;
- Particulars of the NRE Bank Account maintained with a bank in India, if not furnished earlier (Please send a photocopy of cancelled cheque);
- E-mail ID and Phone No.(s).

### Unclaimed Shares/Dividend

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time ('IEPF Rules'), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, shares in respect of which dividends have not been claimed for a period of 7 consecutive years are also liable to be transferred to IEPF. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends to avoid transfer of dividend/ shares to IEPF. Notices in this regard are also published in the newspapers and the details of unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF, are uploaded on the Company's website.

The Company has during the financial year 2022-23, transferred the unclaimed dividend to IEPF, outstanding for 7 years of the Company, erstwhile Aditya Birla Nuvo Limited, erstwhile Aditya Birla Chemicals (India) Limited (both have amalgamated with the Company) and the fractional sale proceeds of shares of erstwhile Aditya Birla Chemicals (India) Limited. Further, equity shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more, have also been transferred to IEPF.

Statement of amount credited to IEPF during the year:

Sr. No.	Name of the Company	Amount credited (in ₹)	Financial year to which the amount relates
1	Aditya Birla Nuvo Limited	70,31,969	2014-15
2	Aditya Birla Chemicals (India) Limited	8,25,900	2014-15
3	Grasim Industries Limited	1,27,76,359	2014-15
4	Aditya Birla Chemicals (India) Limited (Fractional Sale proceeds)	10,69,824	2015-16

Shares Transferred to IEPF during the year	Total number of shares (Face value of ₹2 each)	Total nominal amount
	1,53,531	3,07,062

Details of unpaid/unclaimed dividend and equity shares for the financial year 2014-15 are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India ('MCA'). No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF, pursuant to the IEPF Rules.

The due date of transfer of unpaid/unclaimed dividend to IEPF for the year 2015-16 onwards are as under:

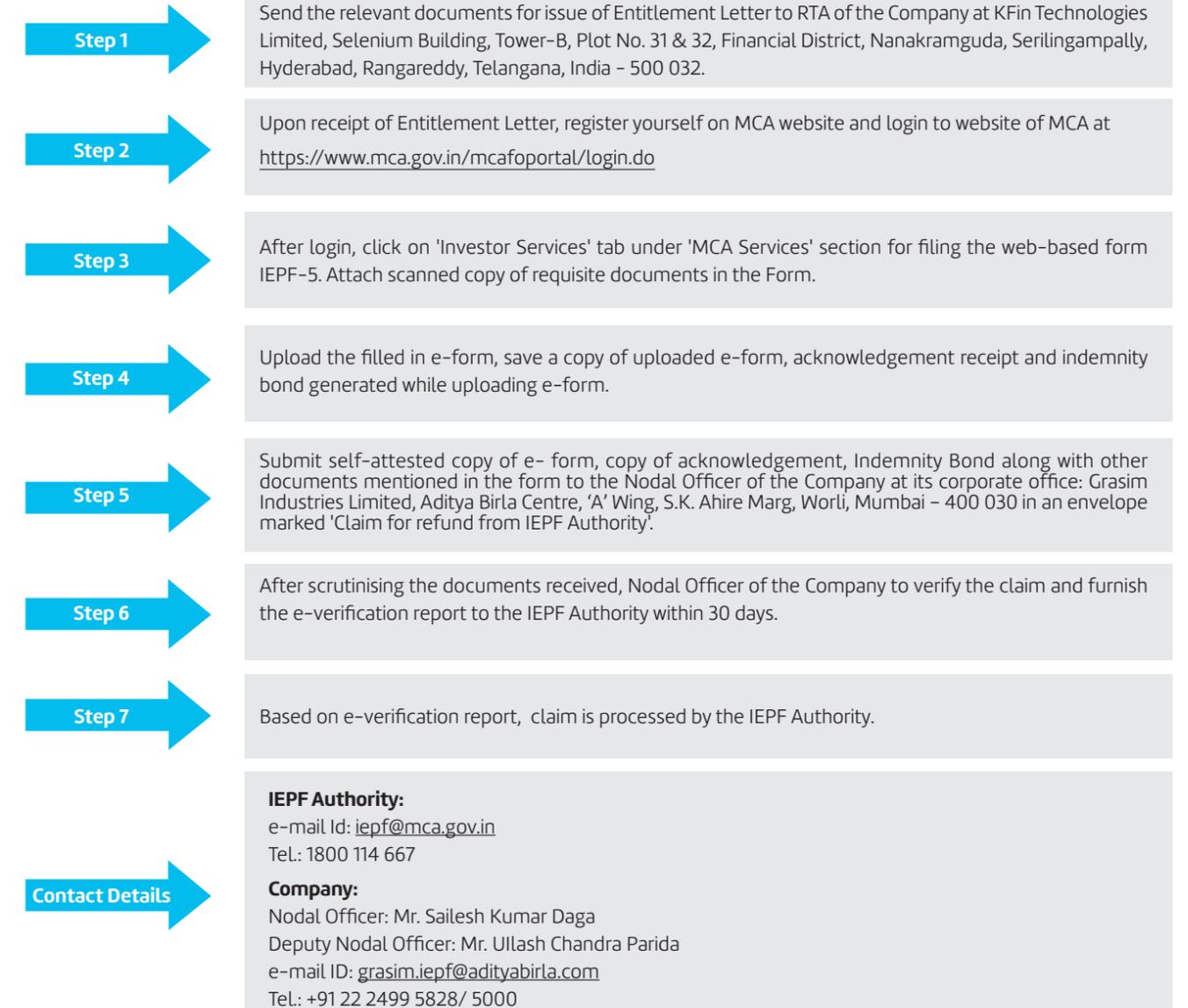
Financial Year	Due date for transfer to IEPF	
	Grasim Industries Limited	Erstwhile Aditya Birla Nuvo Limited
2015-16	30 <sup>th</sup> October 2023	26 <sup>th</sup> September 2023
2016-17	29 <sup>th</sup> October 2024	
2017-18	20 <sup>th</sup> October 2025	
2018-19	28 <sup>th</sup> September 2026	
2019-20	19 <sup>th</sup> October 2027	
2020-21	2 <sup>nd</sup> October 2028	
2021-22	29 <sup>th</sup> September 2029	

Shareholders who have not encashed their dividend warrants/demand drafts so far in respect of the aforesaid periods, are requested to send a request letter to the RTA of the Company well in advance for crediting the amounts through NEFT/NECS/RTGS directly to your bank account along with copy of PAN Card.

#### IEPF Refund

Shareholders whose unclaimed/ unpaid amount or shares has been transferred by the Company to IEPF may claim their refunds to the IEPF authority. For claiming such amount, claimant needs to file form IEPF-5 along with requisite documents.

#### Procedure to claim the unclaimed dividend amount and equity shares from the IEPF:



### Unclaimed shares in Physical Form

Pursuant to Regulation 39(4) of the Listing Regulations read with Schedule VI 'Manner of dealing with Unclaimed Shares' share certificates which have been returned as 'undelivered' by the postal authorities, if any has to be dematerialised and held by the Company in its 'Unclaimed Suspense Account'.

In terms of Schedule VI to the Listing Regulations, your Company has initiated appropriate steps on unclaimed shares by transferring and dematerialising them into one folio in the name

of 'Grasim Industries Limited Unclaimed Share Suspense Account'. In case your shares are lying unclaimed with the Company, you are requested to claim the same by submitting Form ISR-4 along with a copy of CML, PAN and Aadhaar Card.

All corporate benefits on such shares viz. bonus, etc. shall be credited to the unclaimed suspense account will remain for a period of seven (7) years and thereafter it will be transferred to IEPF in accordance with the provisions of IEPF Rules read with Section 124(6) of the Act.

The details of transactions carried out in 'Grasim Industries Limited Unclaimed Share Suspense Account' during the year are as under:

Particulars	No. of shareholders	No. of shares
Outstanding at the beginning of the year i.e. 1 <sup>st</sup> April 2022	1,840	1,97,470
Shareholders/Legal Heirs who approached the Company and to whom shares were transferred from the Unclaimed Suspense Account during the year upon receipt and verification of necessary documents	8	183
Number of shares transferred to IEPF Authority during the year	51	9,995
Outstanding at the end of the year i.e. 31 <sup>st</sup> March 2023	1,781	1,87,292*

\*Voting Rights in respect of the aforesaid 1,87,292 shares held in the Unclaimed Suspense Account are frozen till the time such shares are claimed by the concerned shareholders and the shares are credited in their demat account.

### Shares in Suspense Escrow Demat Account

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January 2022 directed listed entities to issue securities in dematerialised form through letter of confirmation while processing investor services request and in cases where letter of confirmation is not submitted to DP with 120 days from the date of issuance of letter of confirmation, RTA/Company shall credit the same into the Suspense Escrow Demat Account of the Company.

In terms of SEBI Circular, your Company has credited the shares into 'Grasim Industries Limited Suspense Escrow Demat Account', in those cases where the Letter of Confirmation has not been submitted to DP within 120 days. In case your shares are lying in Suspense Escrow Demat Account of the Company, you are requested to claim the same by submitting Form ISR-4 along with a copy of CML, PAN and Aadhaar Card.

During the year under review, 3,959 equity shares pertaining to 14 Folios were transferred to Grasim Industries Limited Suspense Escrow Demat Account and voting rights in respect of the aforesaid shares are frozen till the time such shares are claimed by the concerned shareholders and the shares are credited in their demat account.

### Service of documents in Electronic Form

In compliance with various MCA and SEBI Circulars, Notice of the AGM along with the Annual Report for the year is being sent only through electronic mode to those Shareholders whose e-mail ID is registered with the RTA/Depositories.

Shareholders may note that the Notice and Annual Report for the year will also be available on the Company's website at [www.grasim.com](http://www.grasim.com), websites of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of RTA at <https://evoting.kfintech.com>

Link for availing the electronic communication (Green Initiative) – <https://www.grasim.com/investors/green-initiative>

## 24. CORPORATE OFFICE AND PLANT LOCATIONS:

### Corporate Office:

Name	Address
Corporate Office	A-2, Aditya Birla Centre, S.K. Ahire Marg, Worli, Mumbai - 400 030 (022) 24995000/66525000

### Plant Locations:

#### Viscose Stable Fibre:

Name	Address
Staple Fibre Division	Birlagram, Nagda - 456 331, Madhya Pradesh
Harihar Polyfibre Division	Harihar, Dist. Haveri Kumarapatnam - 581 123, Karnataka
Grasilene Division	Harihar, Dist. Haveri Kumarapatnam - 581 123, Karnataka
Birla Cellulosic Division & Excel Fibre Division	Birladham, Kharach, Kosamba - 394 120, Dist. Bharuch, Gujarat
Grasim Cellulosic Division	Plot No. 1, GIDC Vilayat Industrial Estate P. O. Vilayat, Taluka: Vagra, Dist. Bharuch - 392 012, Gujarat

#### Chlor-Alkali and Chlorine Derivatives:

Name	Address
Grasim Chemical Division, Nagda	Birlagram, Nagda, Madhya Pradesh - 456 331
Grasim Chemical Division, Vilayat	Plot No. 1, GIDC Vilayat Industrial Estate P.O. Vilayat Taluka: Vagra, Dist. Bharuch - 392 012, Gujarat
Grasim Chemical Division, Rehla	Garhwa Road, P. O.- Rehla, Dist.: Palamau, Jharkhand - 822 124
Grasim Chemical Division, Karwar	P. O. Binaga - 581 307, Karwar Dist.: Uttar Kannada, Karnataka, India
Grasim Chemical Division, Renukoot	P. O. Renukoot - 231 217, Dist. - Sonbhadra, Uttar Pradesh
Grasim Chemical Division, Ganjam	P. O. Jayshree - 761 025, Dist. Ganjam (Odisha)
Grasim Chemical Division, Balabhadrapuram	P. O. Balabhadrapuram - Survey No. 1, 2, 3, 4, Kanedumetta Road, Balabhadrapuram, East Godavari - 533 343, Andhra Pradesh
Grasim Chemical Division, Indian Rayon	Veraval - 362 266, Dist. Gir, Somnath, Gujarat
Chemical Division at Century Rayon	Murbad Road, Shahad Station, Kalyan - 421 301, Dist. - Thane, Maharashtra

#### Salt Works:

Name	Address
Salt Pans at Singach	P.O. Singach, Via - Vadinar, Dist. - Jamnagar, Gujarat, 361 010
Salt Pans at Pundi	Pundi Galli, Vajrapukothuru, Dist. Srikakulam, 532 222, Andhra Pradesh

#### Speciality Chemicals (Epoxy Polymers & Curing Agents):

Name	Address
Grasim Epoxy Division, Vilayat	Plot No. 1, GIDC Vilayat Industrial Estate, P. O. Vilayat, Taluka: Vagra, Dist. Bharuch - 392 012 Gujarat

#### Textile:

Name	Address
Vikram Woollens	Plot GH I to IV, Ghironghi, Industrial Area Malanpur- 477 117 Dist. Bhind, Madhya Pradesh
Jaya Shree Textiles	P. O. Prabhas Nagar - 712 249, Dist. Hooghly, West Bengal
Grasim Premium Fabric	Plot No. T-8, Five Star MIDC, Kagal - Hatkanangle, Kasba Sangaon, Kolhapur-416 236, Maharashtra

#### Viscose Filament Yarn:

Name	Address
Indian Rayon	Indian Rayon Compound, Veraval 362 266, Dist. Gir Somnath, Gujarat
Century Rayon	Murbad Road, Shahad - 421 103, Dist. - Thane, Maharashtra

#### Insulator:

Name	Address
Aditya Birla Insulators, Rishra	P. O. Prabhas Nagar, Rishra Dist. Hooghly - 712 249, West Bengal
Aditya Birla Insulators, Halol	P. O. Meghasar Taluka, Halol Dist. Panchmahal, Gujarat - 389 330

**25. REDRESSAL AGENCIES FOR SHAREHOLDERS****Ministry of Corporate Affairs (MCA)**

'A' Wing, Shastri Bhawan,  
Rajendra Prasad Road,  
New Delhi - 110 001  
Tel.: (011) 23381295  
Web: [www.mca.gov.in](http://www.mca.gov.in)

**Securities and Exchange Board of India (SEBI)**

Plot No.C4-A, 'G' Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel.: (022) 26449000 / 40459000  
Fax: (022) 26449019 - 22  
Web: [www.sebi.gov.in](http://www.sebi.gov.in)

**BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
Tel.: (022) 22721233 / 34  
Fax: (022) 22721919  
Web: [www.bseindia.com](http://www.bseindia.com)

**National Stock Exchange of India Limited (NSE)**

'Exchange Plaza', C-1, 5<sup>th</sup> Floor,  
Block G, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel.: (022) 26598100/8114  
Fax: (022) 26598120  
Web: [www.nseindia.com](http://www.nseindia.com)

**National Securities Depository Limited (NSDL)**

Trade World, 'A' Wing, 4<sup>th</sup> Floor,  
Kamala Mills Compound,  
Lower Parel, Mumbai - 400 013  
Tel.: (022) 24994200  
Toll Free No.: + 91 22 4886 7000 and + 91 22 2499 7000  
Web: [www.nsdl.co.in](http://www.nsdl.co.in)

**Central Depository Services (India) Limited (CDSL)**

Marathon Futurex, A-Wing, 25<sup>th</sup> Floor,  
N. M. Joshi Marg,  
Lower Parel, Mumbai - 400 013  
Tel.: (022) 2305 8640 / Toll free: 1800-22-5533  
Web: [www.cdslindia.com](http://www.cdslindia.com)

**26. WEBLINKS FOR THE POLICIES/ CODES**

Particulars	Weblink
Policy on Board Diversity	<a href="https://www.grasim.com/upload/pdf/board-diversity-policy-grasim.pdf">https://www.grasim.com/upload/pdf/board-diversity-policy-grasim.pdf</a>
Risk Management Policy	<a href="https://www.grasim.com/Upload/PDF/risk-management-policy.pdf">https://www.grasim.com/Upload/PDF/risk-management-policy.pdf</a>
Corporate Tax Policy	<a href="https://www.grasim.com/upload/pdf/corporate-tax-policy.pdf">https://www.grasim.com/upload/pdf/corporate-tax-policy.pdf</a>
Human Rights Policy	<a href="https://www.grasim.com/upload/pdf/human-rights-policy.pdf">https://www.grasim.com/upload/pdf/human-rights-policy.pdf</a>
Environmental Policy	<a href="https://www.grasim.com/Upload/PDF/grasim-environmental-policy-2021.pdf">https://www.grasim.com/Upload/PDF/grasim-environmental-policy-2021.pdf</a>
Energy & Carbon Policy	<a href="https://www.grasim.com/Upload/PDF/grasim-energy-carbon-policy.pdf">https://www.grasim.com/Upload/PDF/grasim-energy-carbon-policy.pdf</a>
Water Stewardship Policy	<a href="https://www.grasim.com/upload/pdf/water-stewardship-policy.pdf">https://www.grasim.com/upload/pdf/water-stewardship-policy.pdf</a>
Wood Fibre Sourcing Policy	<a href="https://www.grasim.com/Upload/PDF/fibre-sourcing-policy.pdf">https://www.grasim.com/Upload/PDF/fibre-sourcing-policy.pdf</a>
Occupational Health Policy	<a href="https://www.grasim.com/Upload/PDF/occupational-health-policy.pdf">https://www.grasim.com/Upload/PDF/occupational-health-policy.pdf</a>
Grievance handling Policy	<a href="https://www.grasim.com/Upload/PDF/grasim-grievance-handling-policy-fy21.pdf">https://www.grasim.com/Upload/PDF/grasim-grievance-handling-policy-fy21.pdf</a>
Policy for Archival of Documents	<a href="https://www.grasim.com/upload/pdf/archival_policy.pdf">https://www.grasim.com/upload/pdf/archival_policy.pdf</a>
Policy for Preservation of Documents	<a href="https://www.grasim.com/upload/pdf/policy_preservation_documents.pdf">https://www.grasim.com/upload/pdf/policy_preservation_documents.pdf</a>
Executive Remuneration Policy	<a href="https://www.grasim.com/upload/pdf/ABG-executive-remuneration-philosophy-policy.pdf">https://www.grasim.com/upload/pdf/ABG-executive-remuneration-philosophy-policy.pdf</a>
Code of Conduct	<a href="https://www.grasim.com/upload/pdf/code-of-conduct.pdf">https://www.grasim.com/upload/pdf/code-of-conduct.pdf</a>
Corporate Social Responsibility Policy	<a href="https://www.grasim.com/upload/pdf/Grasim_CSR_Policy_2013.pdf">https://www.grasim.com/upload/pdf/Grasim_CSR_Policy_2013.pdf</a>
Dividend Distribution Policy	<a href="https://www.grasim.com/upload/pdf/Grasim_Dividend_Policy_16.pdf">https://www.grasim.com/upload/pdf/Grasim_Dividend_Policy_16.pdf</a>
Policy on Determination of Materiality of Information or Events	<a href="https://www.grasim.com/upload/pdf/Policy_materiality_information.pdf">https://www.grasim.com/upload/pdf/Policy_materiality_information.pdf</a>
Whistle-Blower Policy	<a href="https://www.grasim.com/Upload/PDF/whistle-blower-policy.pdf">https://www.grasim.com/Upload/PDF/whistle-blower-policy.pdf</a>
PIT Code of Practice and Procedures for Fair Disclosure of UPSI	<a href="https://www.grasim.com/Upload/PDF/pit-code-of-practice-and-procedures-for-fair-disclosures-upsi.pdf">https://www.grasim.com/Upload/PDF/pit-code-of-practice-and-procedures-for-fair-disclosures-upsi.pdf</a>
Familiarisation Programme for Independent Directors	<a href="https://www.grasim.com/Upload/PDF/familiarisation-programme-independent-directors.pdf">https://www.grasim.com/Upload/PDF/familiarisation-programme-independent-directors.pdf</a>

Particulars	Weblink
Policy on Determination of Material Subsidiary	<a href="https://www.grasim.com/upload/pdf/Grasim_Policy_Material_Subsiary_Cos.pdf">https://www.grasim.com/upload/pdf/Grasim_Policy_Material_Subsiary_Cos.pdf</a>
Policy on Related Party Transactions	<a href="https://www.grasim.com/upload/pdf/Grasim_policy_on_RPT.pdf">https://www.grasim.com/upload/pdf/Grasim_policy_on_RPT.pdf</a>
Information Security Policy	<a href="https://www.grasim.com/Upload/PDF/information-security-policy.pdf">https://www.grasim.com/Upload/PDF/information-security-policy.pdf</a>
Policy for control of Stationary by RTA	<a href="https://www.grasim.com/Upload/PDF/policy-for-control-stationery-by-rta-grasim.pdf">https://www.grasim.com/Upload/PDF/policy-for-control-stationery-by-rta-grasim.pdf</a>
Privacy Policy	<a href="https://www.grasim.com/Upload/PDF/privacy-policy.pdf">https://www.grasim.com/Upload/PDF/privacy-policy.pdf</a>
Stakeholder Engagement Policy	<a href="https://www.grasim.com/Upload/PDF/grasim-stakeholder-engagement-policy.pdf">https://www.grasim.com/Upload/PDF/grasim-stakeholder-engagement-policy.pdf</a>
Suppliers Code of Conduct	<a href="https://www.grasim.com/upload/pdf/suppliers-code-conduct.pdf">https://www.grasim.com/upload/pdf/suppliers-code-conduct.pdf</a>
Terms and Conditions of Appointment of Independent Directors	<a href="https://www.grasim.com/upload/pdf/terms_conditions_independent_director.pdf">https://www.grasim.com/upload/pdf/terms_conditions_independent_director.pdf</a>
Anti-Corruption and Anti-Bribery Policy	<a href="https://www.grasim.com/Upload/PDF/anti-corruption-and-anti-bribery.pdf">https://www.grasim.com/Upload/PDF/anti-corruption-and-anti-bribery.pdf</a>
Biodiversity Policy	<a href="https://www.grasim.com/Upload/PDF/biodiversity-policy.pdf">https://www.grasim.com/Upload/PDF/biodiversity-policy.pdf</a>
POSH Policy	<a href="https://www.grasim.com/Upload/PDF/POSH-policy.pdf">https://www.grasim.com/Upload/PDF/POSH-policy.pdf</a>
Safety Policy	<a href="https://www.grasim.com/Upload/PDF/safety-policy.pdf">https://www.grasim.com/Upload/PDF/safety-policy.pdf</a>

# Business Responsibility and Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L17124MP1947PLC000410
2. Name of the Listed Entity	Grasim Industries Limited ('Grasim')
3. Year of incorporation	1947
4. Registered office address	Birlagram, Nagda – 456 331, Madhya Pradesh, India
5. Corporate address	Aditya Birla Centre, 'A' Wing, 2 <sup>nd</sup> Floor, S. K. Ahire Marg, Worli, Mumbai – 400 030, Maharashtra, India
6. E-mail	grasim.secretarial@adityabirla.com
7. Telephone	+91 22 6652 5000, +91 22 2499 5000
8. Website	<a href="https://www.grasim.com">https://www.grasim.com</a>
9. Financial year for which reporting is being done	1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
10. Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited 3. Luxembourg Stock Exchange
11. Paid-up Capital	₹ 131.69 crore
12. Contact details of the person who may be contacted in case of any queries on the BRSR report	
Name of the Person	Mr. Sailesh Kumar Daga (Company Secretary)
Telephone	022-2499 5000
E-mail address	<a href="mailto:sailesh.daga@adityabirla.com">sailesh.daga@adityabirla.com</a>
13. Reporting Boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report covers the standalone operations of Grasim Industries Limited, however, for Principle 6 we have only considered the manufacturing plants and does not include the data pertaining to offices.

### II. Product/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the entity
1.	Manufacturing	Fibre & Yarn	56%
2.	Manufacturing	Chemical and Allied Chemicals	39%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Fibre & Yarn	24301 24303	56%
2	Chemicals	24297	39%

### III. Operations

16. Number of locations where plants and/ or operations/ offices of the entity are situated:

Location	Number of plants	No. of offices	Total
National	21	2*	23
International	-	1	1

There are one or more plants at a single geographical location.

\*Corporate & Registered Office. (Does not include marketing and other offices).

17. Market served by the entity

a. No. of Locations	Locations	Numbers
	National (No. of States)	28 states & 8 Union Territories
	International (No. of Countries)	84

b. What is the contribution of exports as a percentage of the total turnover of the entity? 13% of total operating revenue of the Company.

c. A brief on types of customers:

**Viscose** – The customer base for viscose fibre includes all partners in the textiles value chain. VSF is shipped to yarn manufacturers to convert fibre into yarn and the weaving mills convert yarn into fabrics and eventually use it for garment manufacturing. In contrast, the non-woven value chain is shorter and involves converters in roll-goods production, who are our customers for final products such as wipes.

**Chemicals** – Our Chlor-Alkali business caters to a wide range of applications, such as the production of aluminum, pulp and paper, soaps, detergents, viscose fibre, zeolites, food additives, textile processing, and more. The business primarily serves industrial sectors (B2B) that are diverse and critical. On the other hand, our Speciality Chemicals (epoxy polymers and curing agents) division produces products in the Epoxy value chain, which are used in various industries such as windmill blades and auto segments, paints, construction, coating, composite, and electrical applications, among others, and cater to different touchpoints across the value chain.

**Textiles** – Our Textiles business caters to both the textile value chain and retail customers, with certain products being made available through retail outlets. Our textiles business addresses demand of three sub-categories linen, wool and cotton fabrics.

## IV. Employees

### 18. Details as at the end of Financial Year

#### a. Employees and Workers (including differently abled)

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>					
1. Permanent (D)	8,314	7,645	92	669	8
2. Other than Permanent (E)	553	498	90	55	10
3. <b>Total Employees (D + E)</b>	<b>8,867</b>	<b>8,143</b>	<b>92</b>	<b>724</b>	<b>8</b>
<b>Workers</b>					
4. Permanent (F)	16,141	16,002	99	139	1
5. Other than Permanent (G)	18,121	17,667	97	454	3
6. <b>Total Workers (F + G)</b>	<b>34,262</b>	<b>33,669</b>	<b>98</b>	<b>593</b>	<b>2</b>

#### b. Differently abled Employees and Workers

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently abled employees</b>					
1. Permanent (D)	7	7	100	-	-
2. Other than Permanent (E)	-	-	-	-	-
3. <b>Total Employees (D + E)</b>	<b>7</b>	<b>7</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Differently abled workers</b>					
4. Permanent (F)	28	28	100	-	-
5. Other than Permanent (G)	18	18	100	-	-
6. <b>Total Workers (F + G)</b>	<b>46</b>	<b>46</b>	<b>100</b>	<b>-</b>	<b>-</b>

**19. Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	14	3	21%
Key Management Personnel	3	-	-

**20. Turnover rate for permanent employees and workers:**

Particulars	FY 2022-2023			FY 2021-2022			FY 2020-2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	18%	14%	9%	18%	9%	7%	12%	7%
Permanent Workers	4%	18%	4%						

**V. Holding, Subsidiary and Associate Companies (Including Joint Ventures)****21. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	UltraTech Cement Limited*	Subsidiary	57.27	Yes
2.	Aditya Birla Capital Limited**	Subsidiary	54.15	Yes
3.	Aditya Birla Renewables Limited	Subsidiary	100	No

\*UltraTech Cement Limited and its subsidiaries, associate companies and joint ventures follows its separate business responsibility initiatives.

\*\*Aditya Birla Capital Limited and its subsidiaries, associate companies and joint ventures follows its separate business responsibility initiatives.

The Company's business responsibility initiatives apply to its other subsidiaries.

Please refer to Page No. 600 for the list of subsidiaries, associate companies, and joint ventures.

**VI. CSR Details**

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013:	Yes
(ii) Turnover (in ₹)	26,840 crore
(iii) Net worth (in ₹)	46,955 crore

**VII. Transparency and Disclosures Compliances****23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2022-2023			FY 2021-2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	60	Nil	Nil	42	Nil	Nil
Employees and workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes	928	76	The pending complaints are under review	990	87	-
Value Chain Partners	Yes	Nil	Nil	Nil	4	-	-
Other* (Whistle-Blower)	Yes	3	1	Across Chemicals and Renewables business	5	1	-

Note: The policies are placed on the Company's website under the Corporate Governance & Policies and Code of Conduct section and the same can be accessed through the web-link: <https://www.grasim.com/investors/policies-and-code-of-conduct>

\* In some of the Whistle-blower cases the identity is not known, and they may belong to any of the above stakeholders' group.

**24. Overview of the entity's material responsible business conduct issues**

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Energy Consumption and GHG Emissions	Risk	Energy Consumption and GHG Emissions pose a risk for Grasim due to the environmental impact and regulatory compliance requirements. Rising energy costs, potential supply disruptions, and stricter emissions regulations can affect operations and profitability. By addressing energy efficiency, transitioning to cleaner energy sources, and implementing emission reduction measures, Grasim can mitigate these risks, enhance operational resilience, and contribute to a low-carbon future.	Energy constitutes a significant portion of Grasim's business expenses. However, the Company recognises the potential for cost savings by implementing energy efficiency initiatives. By adopting high-efficiency equipment, incorporating on-site renewable energy systems whenever possible, and pursuing other energy-saving projects, it not only reduces carbon emissions but also achieve financial savings. The Company's goal to eliminate direct greenhouse gas emissions from its operations not only enhance its energy supply resilience but also appeals to investors who view carbon emissions as a growing risk. This ambitious approach is expected to lower overhead costs while attracting environmentally conscious investors.	Negative
2.	Responsible Supply Chain	Opportunity	Investors, customers, and regulators are increasingly demanding organisations to tackle environmental, social, and governance (ESG) risks within their supply chains. Failing to adopt sustainable supply chain management practices exposes companies to various risks, such as labour disruptions, incidents related to workforce health and safety, human rights concerns, and shortages of raw materials.	Grasim acknowledges the potential of incorporating ESG considerations into its supply chain to mitigate risk comprehensively. Company has made substantial advancements in supply chain management by diversifying our suppliers and vendors, as well as implementing sustainable sourcing practices. The company prioritises sustainable sourcing for all operations, sourcing 100% of its pulp from certified vendors. There is a preference for local vendors, which not only promotes community development but also ensures sustainability.	Positive

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Climate Change Adaptation	Risk	Climate change and the requirement for adaptation measures can greatly impact Grasim's business operations. Extreme weather events like floods, storms, and droughts have the potential to disturb supply chains, cause damage to infrastructure and equipment, and result in higher expenses. In addition to these impacts, the emergence of new and potential regulations may introduce or escalate regulatory risks, further influencing the Company's operations. Grasim perceives climate change as both a challenge and an opportunity. Embracing the low-carbon transition allows it to enhance efficiency, drive innovation, and foster growth. Through strategic investments in clean technologies, its businesses can lower energy and material expenses, meet evolving customer needs, improve their reputations, and attract and retain top talent. These favourable outcomes arise from the Company's commitment to reducing emissions.	Grasim recognises the potential risks linked to climate change and has taken proactive steps to address them. It has incorporated the Task Force on Climate-related Financial Disclosure (TCFD) into its risk management framework and have effectively conducted assessments of both physical and transition risks this year.	Negative
4.	Waste Management	Risk	Waste management represents a risk for Grasim due to its potential environmental and regulatory implications. Inadequate waste management practices can result in pollution, legal non-compliance, and reputational damage. By addressing waste management effectively, Grasim can mitigate these risks, minimise environmental impact, and ensure compliance with regulations, while also exploring opportunities for resource recovery and circular economy practices.	Grasim demonstrates a dedicated approach to waste management by employing a comprehensive strategy. The company places emphasis on waste reduction, recycling, and responsible disposal practices throughout its operations. By implementing efficient waste segregation systems, embracing circular economy principles, and collaborating with certified waste management vendors, Grasim aims to minimise waste generation, optimise resource utilisation, and mitigate environmental risks.	Negative

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Product Stewardship	Opportunity	Product stewardship presents an opportunity for Grasim to demonstrate its commitment to responsible and sustainable business practices. By ensuring the safe and environmentally sound use, disposal, and lifecycle management of its products, Grasim can enhance customer trust, meet regulatory requirements, and differentiate itself in the market as a socially responsible company.	Grasim's approach to product stewardship encompasses several key initiatives. The Company employs Life Cycle Assessment to identify and address risks and concerns associated with its production and disposal activities. The Company's Closed Loop system ensures the reuse of by-products within its production cycle, promoting resource efficiency and waste reduction. By reducing its footprint, Grasim optimises its resource utilisation and generate sustainable value for society. Additionally, the Company prioritises product safety to ensure secure handling and transportation of its finished products, safeguarding both its customers and the environment.	Positive
6.	Human Rights	Risk	Human rights pose a risk for Grasim due to its vast supply chain and labour-intensive operations. Violations or non-compliance with human rights standards can damage the company's reputation, lead to legal consequences, and disrupt operations. Ensuring respect for human rights is essential to mitigate these risks and uphold ethical business practices.	Grasim upholds a strong commitment to respecting and promoting human rights throughout its operations. The company ensures compliance with internationally recognised human rights standards, both within its own workforce and across its supply chain. Through robust policies, regular audits, and capacity-building initiatives, Grasim strives to prevent human rights violations, foster a culture of diversity and inclusion, and empower stakeholders. By prioritising human rights, Grasim aims to create a safe, fair, and ethical work environment that aligns with global best practices.	Negative
7.	Water and Effluents	Risk	The availability and quality of water play a crucial role in our business operations. The nature of our operations makes us vulnerable to water scarcity, which can cause disruptions, supply chain challenges, rising raw material expenses, and potential health and safety risks for our employees and the community. Additionally, competing for water resources with local communities may jeopardise our social license to operate.	Grasim has undertaken a range of initiatives to uphold water stewardship. The company places a strong emphasis on water conservation, treatment, and reuse. Through continuous investments in cutting-edge technologies and process enhancements, Grasim strives to reduce its overall water consumption. Additionally, the implementation of Zero Liquid Discharge (ZLD) plants across its manufacturing facilities demonstrates a commitment to responsible water management, fostering sustainability for future generations.	Negative
8.	Innovation and R&D	Opportunity	Innovation and R&D offer a significant opportunity for Grasim by fostering technological advancements and product development. By investing in research, Grasim can stay ahead of market trends, enhance product performance, and explore new business avenues. This approach enables Grasim to maintain a competitive edge, drive growth, and adapt to evolving customer needs.	Through Grasim's dedicated R&D efforts, it strives to develop specialty chemicals, sustainable solutions, and novel production techniques. The Company recognises that innovation is key to stay competitive in a rapidly evolving market and meeting the changing needs of its customers. By investing in R&D, the Company not only drive continuous improvement but also position itself as industry leaders and pioneers in its field. Embracing innovation enables Grasim to seize opportunities, create value, and contribute to the sustainable development of our industry and society.	Positive

S. No.	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Resource Efficiency	Opportunity	Resource efficiency presents a valuable opportunity for Grasim due to its potential to optimise resource utilisation and reduce waste. By implementing efficient practices in energy, water, and raw material consumption, Grasim can enhance operational efficiency, reduce costs, and minimise its environmental footprint, aligning with sustainability goals and gaining a competitive advantage.	Through the implementation of efficient technologies, process improvements, and responsible consumption practices, Grasim aims to maximise resource utilisation and minimise inefficiencies. This not only contributes to its environmental stewardship but also enhances its competitiveness in a resource-constrained world. By embracing resource efficiency, the Company can lower operational costs, increase productivity, and foster a more sustainable future for the company and the communities in which it operates.	Positive
10.	Occupational Health and Safety	Risk	Occupational Health and Safety is a significant risk for Grasim due to its labour-intensive manufacturing operations, which are prone to health and injury risks caused by machinery breakdowns and human negligence. Moreover, the Chemicals business further amplifies the risk with the production and handling of hazardous chemicals.	To mitigate risks and ensure safety at Grasim, the Company has implemented SA 8000 standards across its units. The Company has also developed and implemented critical safety standards, including the introduction of 'Life Saving Rules,' and established processes for identifying training needs at every employee level. Furthermore, Grasim continuously emphasise the importance of a safety culture throughout its workforce. To provide additional protection, it has secured adequate insurance coverage to address any unforeseen incidents or accidents that may occur.	Negative

\*Please refer to Materiality Assessment on Page 52 for further details.

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Yes. All policies which are required to be disclosed under various governing regulations have been placed on the website. Please see the below link - <a href="https://www.grasim.com/investors/policies-and-code-of-conduct">https://www.grasim.com/investors/policies-and-code-of-conduct</a> <a href="https://www.birlacellulose.com/reports-policies.php">https://www.birlacellulose.com/reports-policies.php</a> <a href="https://www.adityabirlachemicals.com/reports-and-policies.php">https://www.adityabirlachemicals.com/reports-and-policies.php</a> <a href="https://sustainability.adityabirla.com/policies.php">https://sustainability.adityabirla.com/policies.php</a> <a href="https://www.jayashree-grasim.com/sustainability/">https://www.jayashree-grasim.com/sustainability/</a>								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Grasim has several certifications received and standards and codes to which it's aligns. They are as follow: <b>Principle 1:</b> IR framework, ISAE3000 <b>Principle 2:</b> FSC®, PEFC™, GOTS, OCS, GRS, RWS, OEKO TEX, Better Cotton Initiatives (BCI), REACH, HIGG INDEX, ISO 9001, ISO 14001, ISO 14040/44, ISO 50001, EcoVadis (Epoxy), <b>Principle 3:</b> SA 8000, ISO 45001 <b>Principle 4:</b> IR framework, SA 8000 <b>Principle 5:</b> SA 8000 <b>Principle 6:</b> GRI Standards, ISO 14001, ISO 50001, FSC, PEFC, GOTS, OCS, RWS, OEKO-TEX, BCI, HIGG INDEX, REACH <b>Principle 7:</b> IR framework, GRI standards <b>Principle 8:</b> SA 8000 <b>Principle 9:</b> ISO 27001 In addition, Grasim is committed to tackling climate change and water-related issues and reports to the Carbon Disclosure Project (CDP) on these critical issues. Grasim follows the Global Reporting Initiative (GRI) standards, which are widely regarded as the gold standard for sustainability reporting.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Grasim Industries, a flagship company of Aditya Birla Group has set ambitious goal to combat climate change and it aims in achieving those with its robust strategies and roadmap. Please refer ESG Framework sections page no. 36 for Company's goals and targets.								
6.	Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	Grasim has set several ambitious targets for itself, and it aims in achieving those with its robust strategies and roadmap. Please refer ESG Framework sections page no. 36 for Company's performance.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Governance, Leadership and Oversight</b>									
7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements. Grasim recognises the significance of Environmental, Social, and Governance (ESG) practices in promoting sustainable and responsible business operations. In its commitment to ESG principles, Grasim has identified several challenges, targets, and achievements. For further details please refer message from the MD on page no. 8 of the Report and ESG framework on page no. 36 of the report.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). <b>Mr. Harikrishna Agarwal, Managing Director</b>									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.	The Risk Management and Sustainability Committee encompasses all aspects concerning sustainability. The committee evaluates the progress of the sustainability strategy, including its key performance indicators, and formulates suitable action plans periodically to ensure its achievement. Please refer to the 202 page of corporate governance report.								
<b>10. Details of Review of NGRBCs by the Company:</b>									
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee				Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)				
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	Y	Y	Y	Y	Y	Y	Y	Y
	The policies are currently reviewed internally and will be subjected to external audits as and when required.								
<b>12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:</b>									
	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					Not Applicable				
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	<ul style="list-style-type: none"> <li>Quality Journey: Research &amp; Development</li> <li>Safety and its values</li> <li>Practices Across Value Chain</li> <li>Water intake and Effluent generation</li> <li>Sustainable Products &amp; Circular Economy</li> </ul>	100%
Key Management Personnel	2	<ul style="list-style-type: none"> <li>Quality Journey: Research &amp; Development</li> <li>Safety and its values</li> <li>Practices Across Value Chain</li> <li>Water intake and Effluent generation</li> <li>Sustainable Products &amp; Circular Economy</li> <li>BRSR</li> </ul>	100%
Employees other than BODs and KMPs	27	<ul style="list-style-type: none"> <li>Compliances under Code of Conduct</li> <li>Pre and Post Budget sessions detailing implications on financial health of employees</li> <li>Health and Safety Training</li> <li>Skill Upgradation Training</li> <li>Human Rights Training</li> <li>Capacity building sessions on sustainability values</li> </ul>	67%*
Workers	Multiple	<ul style="list-style-type: none"> <li>Health and Safety Training</li> <li>Skill Upgradation Training</li> <li>Human Rights Training</li> </ul>	39%*

\*Average percentage of persons covered by the awareness programmes.

**2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

**Monetary**

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement			NIL		
Compounding fee			NIL		

**Non-Monetary**

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL	
Punishment			NIL	

Note: For this disclosure, materiality threshold is considered as detailed in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been considered.

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company has an anti-corruption and anti-bribery policy that applies to all its employees and associates working on behalf of the Company, and it is communicated and disseminated to vendors, suppliers, and other stakeholders. To foster a culture of 'zero-tolerance' towards corruption and bribery, a third-party external agency has been appointed to receive and process complaints. The policy can be accessed through this web link: <https://www.grasim.com/Upload/PDF/anti-corruption-and-anti-bribery.pdf>

**5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2022-2023	FY 2021-2022
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest:**

Topic	FY 2022-2023		FY 2021-2022	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL		NIL	
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL		NIL	

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

No instances of corruption or conflicts of interest have been reported in financial year.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% Age of persons in value chain covered under the awareness programmes
The company actively organises programmes aimed at raising awareness among its value chain partners on important aspects such as health and safety, education, and adherence to the company's code of conduct. These programmes are designed to foster transparent business practices throughout the organisation. Furthermore, the company recognises its responsibility in promoting sustainability among its suppliers. To ensure alignment between supplier objectives and the company's own sustainability goals, specific supplier criteria have been developed. The company places great value on ESG (Environmental, Social, and Governance) aspects, in addition to evaluating general skills, finances, and capacity. In the past year, significant attention has been given to improving operational efficiency and reducing waste to enhance energy conservation. Moreover, the company has made progress in the procurement process, actively seeking out vendors who share their commitment to environmental stewardship and community engagement. For more detailed information on the company's interaction with suppliers, please refer to the Social and Relationship Capital section of the Integrated Reporting on Page No. 110.		

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the Company has established a code of conduct specifically for the Board and Senior Management, as required by the Listing Regulations. Additionally, the Board Members and Key Managerial Personnel (KMPs) affirm that at the start of each financial year and whenever there are any changes, there are no significant financial or commercial transactions in which they have a vested interest that could potentially conflict with the Company's interest. Furthermore, if any such conflicts arise, the Directors abstain from participating in discussions or decision-making regarding agenda items at Board or Committee Meetings in which they have a personal or perceived interest.

**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

**Essential indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	FY 2022-2023	FY 2021-2022	Details of improvement in social and environmental aspects
Research & Development (R&D)	18%	7%	• Please refer to Board's report on page no. 160 for details
Capital Expenditure (CAPEX)	6%	7%	• Capex in technologies to improve Environmental impacts

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has implemented procedures for sustainable sourcing. The Company has integrated sustainability in the procurement process, also the 'Supplier Code of Conduct' establishes the standards required from all the suppliers who do business with us. The sourcing strategy is designed considering the management of risks pertaining to safety and environment, legal compliances, ethics, human rights, and fair wages, among other aspects related to functionality of materials and services.

In Viscose business, wood is a key raw material which is converted to dissolving grade pulp and this pulp in turn is converted to viscose fibre. Therefore, responsible sourcing of wood carries a very high importance in our sourcing strategy. We strictly implement our requirements of wood supply across all our pulp suppliers to ensure that the wood used by them are sourced from sustainably managed forests while also following the laws of the land in this regard. A 'Wood Sourcing Policy' which is aligned to global benchmark practices has been in place and fully implemented, which encompasses an internal mechanism and system of checks to trace the source and origin of woods that we use. All the wood/pulp sourced by the business is certified by globally recognised forestry standards such as Forest Stewardship Council® (FSC®). Viscose business also works with Canada based not-for-profit ENGO Canopy which has set standards for responsible wood sourcing and annually publishes a report called Hot Button Report and ranks all the global viscose producers on their wood sourcing practices. Viscose business has been ranked in the top category from last 3 years.

Please refer to our Wood Sourcing Policy: <https://www.grasim.com/Upload/PDF/fibre-sourcing-policy.pdf>

**b. If yes, what percentage of inputs were sourced sustainably?**

We source 100% of our pulp from sustainably managed forests and adhere to FSC®, SFI® and PEFC™ standards for wood sourcing. Additionally, our textiles business also sources significant portion of its raw materials like flax, and wool, from sustainable origins. Both these business account for 55% of the total Standalone revenues.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product	Process to safely reclaim the product
a. Plastics (including packaging)	Under the Plastic Waste Management Rules, 2018, the Company is registered as a Brand Owner with Central Pollution Control Board (CPCB), we take appropriate actions for recycling, reusing and disposing of plastic at the end of the life.
b. E-Waste	E-waste is disposed of through a registered recycler.
c. Hazardous Waste	Hazardous waste is disposed of through pre-processing, co-processing, incineration, or landfill at TSDF or by selling to SPCB-authorized re-cycling & decontamination facilities of registered recyclers.
d. Other Waste	Bio-medical waste is disposed of through Common Bio-medical Waste Treatment and Disposal Facility (CBWTF) incinerator. Organic waste like food waste and gardening waste are processed to use as an organic fertiliser.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The Company is subjected to Extended Producer Responsibility (EPR) solely for managing plastic waste in accordance with the PWM (Plastic Waste Management) rules of 2018.

Yes, Extended Producer Responsibility under Plastic Waste Management Rules is applicable for Grasim. The waste collection mechanism is in line with the guidelines and the process established by Central Pollution Control Board (CPCB). Brand Owner registration obtained for Grasim and EPR Plan submitted to CPCB as per the guidelines and Year wise % based target defined by CPCB. As per the applicable Year, through CPCB registered Plastic Waste Processors (PWPs) Category wise Plastics e.g., Rigid and Flexible recycled for the target quantity of Plastics Waste (Pre -Consumers and Post Consumers) and EPR Credits procured by Grasim. This process is operated and governed through CPCB online Portal for EPR Credit exchange.

**Leadership indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
20302	Viscose Staple Fibre	47%	Cradle-to-gate	Yes	<a href="https://www.birlacellulose.com/policies_reports_files/policies_reports_pdf_36_1636614623.pdf#page=41">https://www.birlacellulose.com/policies_reports_files/policies_reports_pdf_36_1636614623.pdf#page=41</a>
20116	Chlor-Alkali Product	30%	Cradle-to-gate	Yes	No
46411	Linen Fabric	4.4%	Cradle-to-gate	Yes	<a href="https://www.jayashree-grasim.com/wp-content/uploads/FY-19-20-and-21.pdf">https://www.jayashree-grasim.com/wp-content/uploads/FY-19-20-and-21.pdf</a>

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/Service	Description of the risk/concern	Action Taken
Viscose Staple Fibre	Major contribution to Global Warming Potential (GWP) is from the on-site generation of electricity and steam from captive power plant (CPP)	<ol style="list-style-type: none"> <li>1. Planning for decarbonisation and subsequently moving to green power and green steam required for fibre production.</li> <li>2. More efficient coal-based steam and power generation.</li> <li>3. Improving operational efficiency to achieve reduction in steam and power consumption.</li> <li>4. Actively participate in Perform, Achieve and Trade (PAT) cycle as per Bureau of Energy Efficiency (BEE) which helps in conservation and efficient use of energy.</li> </ol>
Chlor-Alkali	Electricity used in the Electrolysis process leading to GHG emission	<ol style="list-style-type: none"> <li>1. Technology up-gradation use of 6<sup>th</sup> generation electrolysers, timely recoating &amp; re-membraning to optimise power consumption, installation of VFDs, Installation of IE-3 Grade</li> <li>2. Motors by replacing the Old - Non-IE/below IE-2- Standard, installation of energy efficient equipment.</li> <li>3. Actively participate in Perform, Achieve and Trade (PAT) cycle as per Bureau of Energy Efficiency (BEE) which helps in conservation and efficient use of energy.</li> <li>4. Increased share of renewable power/green energy footprint to reduce fossil fuels &amp; carbon emissions.</li> </ol>
Linen Fabric	<ol style="list-style-type: none"> <li>1. Global Warming Potential on account of electricity consumed and steam consumption in the processing step</li> <li>2. Blue Water Consumption</li> </ol>	<ol style="list-style-type: none"> <li>1. LOI signed for hybrid power for 30 lakh units. Renewable power share increased.</li> <li>2. ZLD installed for 2 units.</li> </ol>

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicated input Material	Recycled or re-used input material to total material	
	FY 2022-2023	FY 2021-2022
	NIL	NIL

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Topic	FY 2022-2023			FY 2021-2022		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						None
Other waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicated product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

### PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

#### Essential indicators

##### 1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent Employees</b>											
Male	7,645	7,110	93	7,566	99	-	-	4,832	63	2,148	28
Female	669	615	92	650	97	543	81	-	-	169	25
<b>Total</b>	<b>8,314</b>	<b>7,725</b>	<b>93</b>	<b>8,216</b>	<b>99</b>	<b>543</b>	<b>7</b>	<b>4,832</b>	<b>58</b>	<b>2,317</b>	<b>28</b>
<b>Other than Permanent Employees</b>											
Male	498	4	1	6	1	-	-	-	-	4	1
Female	55	4	7	-	-	4	7	-	-	4	7
<b>Total</b>	<b>553</b>	<b>8</b>	<b>1</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>1</b>

##### b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent workers</b>											
Male	16,002	9,006	56	8,136	51	-	-	-	-	5,274	33
Female	139	87	63	32	23	106	76	-	-	84	60
<b>Total</b>	<b>16,141</b>	<b>9,093</b>	<b>56</b>	<b>8,168</b>	<b>51</b>	<b>106</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>5,358</b>	<b>33</b>
<b>Other than Permanent workers</b>											
Male	17,667	4988	28	5,527	31	-	-	-	-	4,323	24
Female	454	45	10	109	24	67	15	-	-	34	7
<b>Total</b>	<b>18,121</b>	<b>5,033</b>	<b>28</b>	<b>5,636</b>	<b>31</b>	<b>67</b>	<b>0.4</b>	<b>-</b>	<b>-</b>	<b>4,357</b>	<b>24</b>

##### 2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. No.	Benefits	FY 2022-2023			FY 2021-2022		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1.	PF	100	100	Yes	100	100	Yes
2.	Gratuity	100	100	Yes	100	100	Yes
3.	ESI	3	41	Yes	4	37	Yes
4.	Others-Please Specify	The company extends superannuation scheme and NPS to employees at their option, out of the total remuneration.					

##### 3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company has implemented a comprehensive strategy to ensure workplace accessibility, specifically for individuals with disabilities, across all existing and future infrastructure. Careful consideration has been given to the design and construction of work areas, restrooms, social spaces, and mobility areas within and around our facilities to promote accessibility. As a result, all our offices and facilities are accessible to employees with different abilities.

##### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Grasim provides an inclusive work culture and a discrimination free environment for all its employees. The Company has a code of conduct that ensures that no person is discriminated based on race, gender, religion/ beliefs, disability, marital or civil partnership status, age, sexual orientation, gender identity, gender expression, caring responsibilities, or any other protected class of person in the country.

Weblink of the policy: <https://www.grasim.com/Upload/PDF/corporate-principles-code-of-conduct.pdf>

##### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work Rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	99	76	-	-
Female	55	57	50	-
<b>Total</b>	<b>95</b>	<b>75</b>	<b>25</b>	<b>-</b>

##### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	Grasim has implemented an internal grievance policy for its employees and workers, which is readily available on the company's intranet. In cases where an employee's actions are found to be in violation of the Code, appropriate disciplinary measures are taken. All employees and workers are encouraged to report any operational or performance issues and concerns to their immediate supervisor or reporting manager. For matters related to organisational issues, performance, and appraisal concerns, or if the complaint is against the supervisor or reporting manager, they are directed to the Human Resource Manager. To ensure a platform for addressing organisational issues, we have established a portal that allows employees to express any concerns they may have. Additionally, we conduct an annual survey to gather feedback and identify any potential complaints or grievances from employees.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

Please refer to our Grievance Handling Policy: <https://www.grasim.com/Upload/PDF/grasim-grievance-handling-policy-fy21.pdf>

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-2023			FY 2021-2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Permanent Employees</b>						
Male	7,645	-	-	6,800	-	-
Female	669	-	-	455	-	-
<b>Total</b>	<b>8,314</b>	<b>-</b>	<b>-</b>	<b>7,255</b>	<b>-</b>	<b>-</b>
<b>Permanent Workers</b>						
Male	16,002	14,715	92	16,210	15,775	97
Female	139	138	99	126	125	91
<b>Total</b>	<b>16,141</b>	<b>14,853</b>	<b>92</b>	<b>16,336</b>	<b>15,900</b>	<b>97</b>

## 8. Details of training given to employees and workers:

Category	FY 2022-2023					FY 2021-2022				
	Total (A)	On Health and Safety measures		On skill upgradation		Total (D)	On Health and Safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Permanent Employees</b>										
Male	7,645	7,011	92	7,272	95	6800	6001	88	4927	72
Female	669	498	74	597	89	455	380	84	266	58
<b>Total</b>	<b>8,314</b>	<b>7,509</b>	<b>90</b>	<b>7,869</b>	<b>95</b>	<b>7,255</b>	<b>6,381</b>	<b>88</b>	<b>5,193</b>	<b>72</b>
<b>Permanent Workers</b>										
Male	16,002	12,402	78	7,040	44	16210	16210	100	7588	47
Female	139	51	37	17	12	126	126	100	56	44
<b>Total</b>	<b>16,141</b>	<b>12,453</b>	<b>77</b>	<b>7,057</b>	<b>44</b>	<b>16,336</b>	<b>16,336</b>	<b>100</b>	<b>7,644</b>	<b>47</b>

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-2023			FY 2021-2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
<b>Permanent Employees</b>						
Male	7,645	7,595	99	6,800	6,800	100
Female	669	520	78	455	455	100
<b>Total</b>	<b>8,314</b>	<b>8,115</b>	<b>98</b>	<b>7,255</b>	<b>7,255</b>	<b>100</b>
<b>Permanent Workers</b>						
Male	16,002	3,070	19	16,210	1,705	10
Female	139	3	2	126	-	-
<b>Total</b>	<b>16,141</b>	<b>3,073</b>	<b>19</b>	<b>16,336</b>	<b>1,705</b>	<b>10</b>

## 10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, across all the units, the company has established an occupational health and safety management system. The system is diligently maintained and monitored through a three-tier safety governance structure. Occupational health and safety processes and procedures are aligned with ABG sustainability standards and meet the requirements of ISO 45001. These processes have been developed and implemented at our manufacturing units, and their efficacy is demonstrated through a Self-Assessment Questionnaire (SAQ) Assurance model. To validate their effectiveness, we have a dedicated group assurance team, the Business IMS core team, and periodic assessments conducted by a certification body

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has established a Risk Evaluation Management and Occupational Health Risk Assessment standard that includes TIER-1 and TIER-2 Risk Assessment requirements. To guide the Hazard Identification & Risk Assessment process in the business units and have implemented the Business Hazard Identification & Risk Assessment procedure. This procedure ensures that all routine and non-routine activities are identified, associated risks are analysed, and appropriate control measures are implemented. For critical and high potential tasks, we follow the Job Safety Analysis process.

Grasim also has a mandatory practice of conducting toolbox talks for all contractors, followed by Job Safety Analysis and obtaining the necessary Permit to Work. Records of these activities are maintained and reviewed regularly. Furthermore, surprise visits by safety professionals are conducted to ensure adherence to the established processes. To provide additional controls for significant risks, Company has developed Operational Control Procedures, Work instructions and conduct HAZOP (Hazard and Operability Study) for identifying and assessing hazardous processes, to address the recommendations that arise from the study. Before commencing any job, Company conducts toolbox talks for all contractors, followed by Job Safety Analysis and the issuance of work permits.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

We have the online system of incident reporting which allows us to keep track of any incidents that occur at any location and based on such reporting Corrective Action and Preventive Action ('CAPA'), Learnings from Incident report is issued to all the concerned persons, which help us to prevent re-occurrence of similar incidents in future.

d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company provides round-the-clock access to non-occupational medical and healthcare services for its employees and workers.

## 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-2023	FY 2021-2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.21	0.22
	Workers	0.23	-
Total recordable work-related injuries	Employees	52	-
	Workers	50	-
No. of fatalities	Employees	1	2
	Workers	1	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	21	-
	Workers	27	-

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The company has technical and management safety standard comprising various work practices such as Permit to Work for Confined Space, Hot Work, Machine Guarding, Working at Height, Electrical Safety, Management of Change, Process Safety Management etc. In addition, it has developed sufficient infrastructure to manage occupational health monitoring on periodic manner. Work-zone monitoring, and employee medical check-up is being ensured. Multiple safety and OH campaigns are held on regular basis. Training and capacity building sessions are conducted from time to time, as well as mock drill are carried out at regular intervals at each unit, and toolbox talks are an integral part of the system. It is mandatory to undergo safety induction/orientation for all new employees (includes contractor workmen, TOTI- workmen joiners, security, staff etc). Trainings by subject matter expert from Group sustainability cell are organised across sites.

Grasim has a structured process of sharing knowledge management capsules on safety and across all units. OHS processes and procedures are in line with ABG sustainability standards and ISO 45001 requirement. Business units are adhering their plant SOPs. Regular awareness programmes are being done for relevant employees and contract workmen as well.

The company has well-defined audit system for carrying out internal & external audit (Occupational Safety Parameters) as per schedule throughout the year and has already developed a pool of internal auditors trained in the different ISO Standards to review the compliance periodically. Internal and External Audits are conducted subsequently. Behaviour Based Safety Observation Round module has also in place, through its online platform where all employees are eligible for reporting Safe and Unsafe practices as well as condition and near miss at workplace to reduce hazards along with corrective actions which are then reviewed for respective mitigation actions.

Besides this Grasim has structured Kaizen-scheme in place, where safety related Kaizens/Suggestions are captured from all levels of employees. Moreover, Safety Frameworks are also being audited by Group assurance team. On top of everything, central safety committee and Department safety committee carry out periodic safety review to ensure safety practices are best implemented.

1. Safety Policy: <https://www.grasim.com/Upload/PDF/safety-policy.pdf>
2. Occupational Health Policy: <https://www.grasim.com/Upload/PDF/occupational-health-policy.pdf>

**13. Number of Complaints on the following made by employees and workers:**

Topic	FY 2022-2023			FY 2021-2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions						
Health & Safety			Nil			

**14. Assessments for the year:**

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	
Working Conditions	100% (All units of Grasim are assessed by both internal and external parties)

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The company has a structured framework for incident investigation. Incidents are investigated and root cause & countermeasures are communicated & implemented across the plants. The company has a process to communicate high consequence incidents which happened in the sister companies. Preliminary incident investigation report is uploaded to the internal IT software within 24 hours, as per safety policy. In case of major incident, investigation process is carried out by cross functional to find the exact root cause of the incident and then it is taken forward to central safety committee meeting. Also, the company has certified Taproot professionals for Incident investigations.

We have well-defined audit system for carrying out internal & external audits (Environmental & Occupational Health Safety parameters) as per schedule throughout the year. We have already developed a pool of internal auditors trained in the different ISO Standards to review compliance periodically. Internal Audit is conducted twice a year and External Audit is conducted by BVQI subsequently (twice a year). Opportunities for improvement and NC raised in the internal audit are well taken care of with root cause & corrective action preventive action. Our ABG Sustainability Frameworks/ Sustainable Assessment Questionnaire Audit is conducted by the Group Sustainability Cell. We published our Sustainability report and Safety data being audited during Assurance process (DQS India). Incidents are investigated and root causes & countermeasures are communicated & implemented across the units. We have a process to communicate incidents that happened across our respective businesses and follow a structured framework for incident investigation. Preliminary incident investigation report is uploaded in Enablon software within 24 hours, as per our group sustainability policy.

**Leadership indicators**

1. **Does the entity extend any life insurance or any compensatory package in the event of death of**
  - A. **Employees (Y/N):** Yes
  - B. **Workers (Y/N):** Yes
2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
  - To ensure compliance with PF and ESIC regulations, we verify that contractor, vendors are making timely payments by requiring proof of compliance before releasing payment to them.
  - We perform monthly reconciliations of GSTR-2B to verify that vendors are making timely GST payments and filing returns with the government on time.
  - Our timely filing of GST returns enables our customers to avail GST credits on time, and we ensure that any issues related to GST credits are resolved in a timely manner.
  - We follow up with customers and vendors to obtain TDS/TCS certificates (Form16A and Form27D) to ensure timely payments are being made.
  - We make timely TDS/TCS payments and issue certificates to vendors, customers, and employees, allowing them to avail credits promptly.
  - We collect Income Tax Returns from vendors annually to ensure proper levy of TDS rates and that vendors file their Income Tax Returns on time.
  - We collect Tax Residency Certificate, Permanent Establishment Certificates, and 10F Forms for all foreign payments related to goods and services to prevent tax evasion by foreign entities and regularise foreign currency payments.
  - To support the welfare of our employees, we make timely payments of the Labour Welfare Fund.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-2023	FY 2021-2022	FY 2022-2023	FY 2021-2022
Employees	1	1	1	The employees/workers were compensated to their satisfaction
Workers	1	1	0	

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes, the Company assist employees during retirement or termination of their employment, even if they are not part of the company group. The company has dedicated programme named Enabling a New Life Post Retirement (ENLPR) which motivates and guides for new life post retirement. During the year, Company has provided transition assistance programme to eight employees.

5. Details on assessment of value chain partners:

Topic	% Of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	There is a formal practice in our Textiles division to carry our supplier assessment which covers SA-8000, environmental laws and safety standards. While such formal framework is under preparation for all other business segments, we carry intermittent audits and evaluate the health and safety practices of all our partners in the value chain at their work sites. In case they are found to be non-compliant with safety regulations, we impose penalties.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Few recommendations were received during the assessments, which have been addressed internally. However, no significant risks/ concerns were observed owing to extreme vigilance and efforts put on health and safety within the Company.

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

At Grasim, we have a systematic process for identifying key stakeholder groups. Here is an overview of its process:

**Stakeholder Mapping:** The company conducts a comprehensive stakeholder mapping exercise to identify and categorise the key stakeholder groups relevant to our business. This process involves analysing the impact and influence of various individuals, organisations, and communities on our operations and vice versa.

**Internal Consultation:** The company engages with its internal teams, departments, and leadership to gather insights and perspectives on stakeholders. This includes conducting workshops, meetings, and consultations to identify stakeholders who have a direct or indirect impact on its businesses.

**External Engagement:** The company actively engages with external stakeholders through various channels, including surveys, interviews, focus groups, and public consultations. This enables Grasim to understand its stakeholder’s expectations, concerns, and interests related to its operations and sustainability practices.

**Stakeholder Mapping Matrix:** Based on the information gathered from internal and external consultations, the company developed a stakeholder mapping matrix. This matrix helps the company to prioritise and categorise stakeholders based on their level of influence, impact, and relevance to its business.

**Continuous Monitoring and Feedback:** Grasim believes in maintaining an ongoing dialogue with its stakeholders to keep track of their evolving needs and expectations. The company regularly seeks feedback through surveys, feedback forms, meetings, and other channels to ensure that its engagement remains effective and meaningful.

**Stakeholder Engagement Plans:** Once the key stakeholders are identified, the company develops tailored engagement plans for each group. These plans outline the objectives, strategies, and activities for engaging with stakeholders, considering their specific interests and concerns.

By systematically identifying and engaging with its key stakeholders, Grasim aims to build strong relationships, foster trust, and align its business practices with their expectations. This approach enables the company to address its concerns, collaborate on shared goals, and create long-term value for all stakeholders involved.

Please refer to our Stakeholder Engagement Policy: <https://www.grasim.com/Upload/PDF/grasim-stakeholder-engagement-policy.pdf>

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Please refer to the Stakeholder Engagement of Integrated Report on page no. 50 for details.

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Grasim recognises the crucial importance of meeting stakeholder expectations to succeed as an organisation and create value for shareholders. To gain valuable insights into stakeholder concerns and expectations, the company places great emphasis on effective stakeholder engagement.

The diverse need of Grasim's stakeholders are acknowledged, and the company maintains regular interactions with them to understand their interests and address any issues they may have. Stakeholders can be broadly classified into two groups: internal and external. Grasim values its talented workforce as valuable internal stakeholders and places a high priority on their well-being, health, and fostering a positive working environment.

External stakeholders include customers, investors, government bodies, regulatory authorities, knowledge partners, trade and industry associations, and others. Grasim is dedicated to delivering superior products and ensuring the security of its operations and services for these external stakeholders. Moreover, the company actively promotes sustainable practices in social, environmental, and health management across its entire business value chain.

Engaging with stakeholders involves identifying and analysing the relationships that exist throughout the value chain of Grasim's operations. Stakeholders are individuals or groups who may be impacted by the company's business operations, as well as those who may have an influence on its growth prospects. Grasim manages its stakeholders using a stakeholder matrix, which outlines the methods of engagement, as well as the frequency and channels of communication the company maintains with them.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, Grasim utilises stakeholder consultation to support the identification and management of environmental and social topics. The Company has implemented a dedicated stakeholder engagement process, which is facilitated by third-party consultants. This process involves seeking input from stakeholders on key triple bottom line factors, including environmental and social issues.

The inputs received from stakeholders through these consultations are carefully considered and incorporated into the policies and activities of the entity. The results of these engagements are submitted to the Board of Directors, ensuring that the perspectives and concerns of stakeholders are considered in decision-making processes.

Furthermore, Grasim recognises the importance of transparency and accountability. The outcomes of stakeholder consultations and the actions taken as a result of the inputs received are communicated to the public through Annual Integrated Reports. This enables stakeholders and the wider community to understand how their feedback has influenced the company's policies and activities.

By actively engaging with stakeholders and incorporating their inputs into its operations, Grasim demonstrates its commitment to sustainable practices and responsible business conduct. This approach helps the company identify and address environmental and social challenges effectively while fostering trust and collaboration with its stakeholders.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

The company actively engages with vulnerable and marginalised stakeholder groups to understand their needs and concerns. Grasim implements various initiatives to address these needs and work towards their socio-economic upliftment. Their engagement activities include outreach programmes across 17 locations in 9 states and 15 districts.

For female gender and transgender groups, Grasim supports women empowerment through partnerships with Self-Help Groups, NGOs, and institutions. They also facilitate the formation of more groups and provide support for women's entrepreneurship and marketing. Regarding age, Grasim supports government schools and Anganwadis, benefiting around 1.50 lakh students. The company focuses on improving the quality of education and infrastructure in these institutions. To address descent/identity/ethnicity-related issues, Grasim supports marginalised sections of society, providing necessities, relief support, and assistance in accessing government schemes. They also support historical fairs and mass marriages. For occupation-related concerns, Grasim implements the "Resilient Agriculture Development" program, benefiting 3,500 marginalised farmers. The company also facilitates skill development, knowledge sharing, and assistance in accessing government initiatives. Grasim conducts artificial limb fitment camps in partnership with organisations like the Karnataka Marwari Youth Federation, benefiting 224 differently able people from 15 locations. In terms of the community, Grasim focuses on sustainable livelihood initiatives, benefiting ~1.9 lakh people. They contribute to infrastructural development, support local employment, and participate in village celebrations, aiming to build strong relationships with the communities they operate.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-2023			FY 2021-2022		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	8,314	2,307	28	7,255	1,391	19
Other than permanent	553	-	-	-	-	-
<b>Total Employees</b>	<b>8,867</b>	<b>2,307</b>	<b>26</b>	<b>7,255</b>	<b>1,391</b>	<b>19</b>
<b>Workers</b>						
Permanent	16,141	1,525	9	16,336	2,141	13
Other than permanent	18,121	All contractors have been made aware of Human Rights Policy.		15,799	All contractors have been made aware of Human Rights Policy.	
<b>Total Workers</b>	<b>34,262</b>	<b>1,525</b>	<b>4</b>	<b>32,135</b>	<b>2,141</b>	<b>7</b>

**2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-2023					FY 2021-2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Permanent Employees</b>										
Male	7,645	608	8	7,036	92	6800	53	1	6,747	99
Female	669	76	11	594	89	455	6	1	449	99
<b>Total</b>	<b>8,314</b>	<b>684</b>	<b>8</b>	<b>7,630</b>	<b>92</b>	<b>7,255</b>	<b>59</b>	<b>1</b>	<b>7,196</b>	<b>99</b>
<b>Other than Permanent Employees</b>										
Male	498	-	-	498	100	-	-	-	-	-
Female	55	-	-	55	100	-	-	-	-	-
<b>Total</b>	<b>553</b>	<b>-</b>	<b>-</b>	<b>553</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Permanent Workers</b>										
Male	16,002	3,644	23	12,358	77	16,210	2,333	14	13,877	86
Female	139	62	45	77	55	126	49	39	77	61
<b>Total</b>	<b>16,141</b>	<b>3,706</b>	<b>23</b>	<b>12,435</b>	<b>77</b>	<b>16,336</b>	<b>2,382</b>	<b>15</b>	<b>13,954</b>	<b>85</b>
<b>Other than Permanent Workers</b>										
Male	17,667	All contractors have been paid more than minimum wages in accordance with the laws of the land where the Company operates.				15,381	All contractors have been paid more than minimum wages in accordance with the laws of the land where the Company operates.			
Female	454					418				
<b>Total</b>	<b>18,121</b>					<b>15,799</b>				

### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	13	₹ 18,00,000	3	₹ 28,50,000
Key Managerial Personnel	3	₹ 94,55,854	-	-
Employees other than BoD and KMP	7,642	₹ 7,67,444	669	₹ 7,78,922
Workers	16,002	₹ 3,82,086	139	₹ 2,10,227

Note: The median remuneration for FY 2022-23 is calculated for comparable Board of Directors, KMPs, Permanent Employees & Workers.

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, all of Grasim's manufacturing locations have their own committee to address any human rights complaints.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grasim has an established internal mechanism to address grievances related to human rights issues in a prompt and effective manner. These mechanisms are guided by its comprehensive human rights policy, which is publicly available and accessible to all stakeholders.

To ensure that grievances are addressed appropriately, the company has a dedicated grievance redressal committee that handles all types of grievances, including those related to human rights. The committee comprises experienced and impartial members who are trained to handle sensitive matters with utmost confidentiality and sensitivity.

Employees and stakeholders who have concerns or grievances regarding human rights violations can raise their issues through the established channels. These channels include submitting written complaints to the designated focal point or member of the grievance redressal committee. The company encourage individuals to come forward and report any violations or instances of human rights abuses without fear of retaliation.

Once a complaint is received, the grievance redressal committee conducts a thorough investigation. The committee follows a fair and transparent process, which may involve collecting evidence, interviewing relevant parties, and seeking expert advice, if required. The committee aims to resolve grievances in a timely manner while upholding the principles of fairness and justice.

Throughout the grievance redressal process, the confidentiality and privacy of the individuals involved are respected. The company prioritise creating a safe and supportive environment for complainants, ensuring that they are protected from any form of harassment or victimisation during and after the investigation.

In addition to the internal mechanisms, it also encourages open dialogue and communication within the organisation to address human rights issues. Grasim promote a culture of respect, diversity, and inclusivity, fostering an environment where individuals feel empowered to raise concerns and contribute to the continuous improvement of our human rights practices.

By implementing these internal mechanisms, the company strives to ensure that grievances related to human rights issues are effectively addressed, leading to the protection and promotion of human rights within its organisation and across its value chain.

Please refer to our Human Rights Policy: <https://www.grasim.com/upload/pdf/human-rights-policy.pdf>

### 6. Number of Complaints on the following made by employees and workers:

	FY 2022-2023			FY 2021-2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	4	2*	-	3	1	-
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

\* As on the report date one pending complaint was closed.

### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Grasim has implemented a comprehensive policy to prevent and address cases of discrimination and harassment, particularly sexual harassment, in the workplace. The company take all complaints regarding such incidents seriously and handle them with utmost diligence and strictness. Its aim is to ensure the well-being and protection of the complainant throughout the process. To prevent the incidents from happening the company mandates its employees to complete the learning programmes organised by the Business to develop deeper understanding on what constitutes sexual harassment and how to adopt appropriate behaviour at workplace.

In cases of discrimination and harassment, employees are encouraged to file a written complaint with the chairperson or any member of the relevant complaints committee if not directly then the employee can take assistance from manager or HR or colleague to file the written complaint. The identity of the complainant is treated with strict confidentiality and discretion. It is recommended that the complaints be filed as soon as possible, preferably within 30 days of the incident.

Upon receiving a complaint, the chairperson or a nominated committee member will promptly meet with the complainant to record the employee's statement. The complainant is also encouraged to provide any supporting evidence related to the incident. If the committee finds a *prima facie* case of sexual harassment, a committee meeting will be convened within 7 working days. The accused individual will be duly notified and given an opportunity to present their perspective on the matter.

The complaints committee will conduct a thorough investigation, which may involve interviewing the complainant, witnesses, and relevant experts, as well as reviewing any submitted evidence. Within two weeks, the committee will submit a detailed report of their findings to the relevant management team.

It is crucial to emphasise that during the investigation process, the complainant, witnesses, or anyone involved will not face any unfavourable treatment or victimisation. Grasim is committed to providing a safe and supportive environment for all individuals involved, and any form of retaliation or victimisation is strictly prohibited.

In cases where a complaint is found to be false or made with malicious intent, appropriate disciplinary action, including termination of employment, may be taken against the complainant. This is to ensure the integrity and fairness of the grievance resolution process.

The Company is dedicated to upholding the rights and dignity of every employee and ensuring that all individuals are treated with respect and equality. The Company continually review and improve its mechanisms to prevent adverse consequences to complainants and maintain a safe and inclusive work environment.

Please refer to our POSH Policy: <https://www.grasim.com/Upload/PDF/POSH-policy.pdf>

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Grasim actively incorporates human rights requirements into its business agreements and contracts when applicable. The Company places great importance on upholding human rights across its operations and supply chain. To ensure this, Grasim includes explicit clauses in certain agreements and contracts that specifically address human rights considerations. These clauses align with the Company's Human Rights Policy and Code of Conduct for suppliers.

By integrating human rights requirements into its agreements and contracts, Grasim strives to foster ethical and responsible business practices. This commitment serves to raise awareness among its partners and suppliers about the importance of respecting human rights principles. It also ensures that they share Grasim's commitment to upholding these principles in their own operations.

Through this proactive approach, Grasim promotes a culture of respect for human rights throughout its business relationships and works towards creating a sustainable and responsible supply chain.

**9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
<b>Child labor</b>	100%
<b>Forced/involuntary labor</b>	100%
<b>Sexual harassment</b>	100%
<b>Discrimination at workplace</b>	100%
<b>Wages</b>	100%
<b>Others – please specify</b>	NA

The company conducts regular internal monitoring to ensure compliance with all relevant laws and policies related to these issues. No significant observations have been made by local regulatory authorities or third parties during the year. The company takes all necessary measures to prevent discrimination, child labour, and sexual harassment by our value chain partners. It internally monitors compliances of all the relevant laws and policies pertaining to these issues. There have been no material observations by local statutory authorities or third parties during the year. 100% of plants and offices are assessed internally.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

We internally monitor compliances of all the relevant laws and policies pertaining to these issues. There has been no material observation by local statutory authorities or third parties during the year. We take all necessary measures that there is not discrimination/child labour/ sexual harassment by employees or stakeholders.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

Grasim has established a robust grievance redressal mechanism at its manufacturing sites to effectively address and resolve any human rights grievances or complaints. As part of this mechanism, the company has designated focal points at each plant who are responsible for receiving and handling such grievances from employees and stakeholders.

By implementing this process, the company aims to ensure that individuals with grievances have a direct and accessible channel to voice their concerns. The designated focal points are trained to handle human rights-related issues sensitively and impartially. They will carefully evaluate each complaint and take appropriate action in line with its commitment to respect and protect human rights. In addition, we have SA 8000 certified facilities which showcases our commitment towards creating better working environment for our employees and adhering to highest social standards. This modified business process provides a clear and structured approach to address human rights grievances, promoting transparency, fairness, and accountability. It enables the company to promptly investigate and resolve any issues raised, fostering a culture of respect and dignity within Grasim. The Company continually review and improve this process to ensure its effectiveness and alignment with internationally recognised human rights standards.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Grasim has implemented the Human Rights Due Diligence (HRDD) tool across all its plants, demonstrating a commitment to assessing and addressing human rights impacts throughout its operations. This tool helps in identifying, preventing, mitigating, and accounting for potential human rights risks and violations. The scope and coverage of the HRDD conducted include multiple locations, extending beyond individual plants. This indicates a comprehensive approach to human rights due diligence, encompassing various aspects of the company's activities and supply chain. By conducting HRDD at multiple locations, the company aims to ensure consistency and accountability in addressing human rights issues across its operations. Through the HRDD process, the Company evaluates its policies, practices, and procedures to ensure compliance with human rights standards.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, Grasim ensures that its premises, including registered and corporate offices, as well as other plants, are accessible to differently abled visitors in compliance with the requirements of the Rights of Persons with Disabilities Act, 2016. Ramps have been installed to facilitate the movement of visitors with disabilities. In the case of corporate offices located in commercial buildings, they are either situated on the ground floor or equipped with elevators and facilities that cater to the needs of visitors with disabilities. This commitment to accessibility aims to provide equal opportunities and inclusivity for all individuals, regardless of their abilities.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
<b>Child labour</b>	
<b>Forced/involuntary labour</b>	During the company's onboarding process, an assessment is conducted to evaluate various risks, such as labour rights, health, safety, and issues like sexual harassment, discrimination, fair wages, child labour, and
<b>Sexual harassment</b>	forced labour, for all third-party vendors, suppliers, and contract manufacturers. This assessment focuses on
<b>Discrimination at workplace</b>	reviewing the policies and procedures already in place by these suppliers, vendors, and contract manufacturers
<b>Wages</b>	to address these matters.
<b>Others – please specify</b>	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable.

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT****Essential Indicators****1. Details of total energy consumption (in million Gigajoules) and energy intensity, in the following format:**

Parameter	FY 2022-2023	FY 2021-2022
Total electricity consumption (A)	7.35*	6.39
Total fuel consumption (B)	56.29*	53.54
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C)</b>	<b>63.64*</b>	<b>59.93</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (Consumption per rupee of turnover)	2,370.98	2873.20
Energy intensity (optional)	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the indicators marked by '\*' above.

**2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes, 14 out of 21 Grasim's sites are designated consumers under PAT scheme with target year FY25 and beyond.

Moreover, the company is actively working on changing employee behaviour and promoting awareness about the importance of energy conservation and management. Through these efforts, the company is committed to continuously improving its energy efficiency performance and achieving the targets set under the PAT scheme.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-2023#	FY 2021-2022
<b>Water withdrawal by source (in million Cubic Metre)</b>		
(i) Surface water	37.56*	36.28
(ii) Ground water	3.09*	2.18
(iii) Third party water	13.36*	10.87
(iv) Seawater / desalinated water	-	-
(v) Others (Rainwater)	0.03*	-
<b>Total volume of water withdrawal (in million Cubic Metre) (i + ii + iii + iv + v)</b>	<b>54.04*</b>	<b>49.33</b>
<b>Total volume of water consumption** (in million Cubic Metre)</b>	<b>52.54*</b>	<b>36.87</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover) (kl per crore INR of revenue)	<b>1,957.64</b>	<b>1,767.96</b>
Water intensity (optional)	-	-

#In the current fiscal year, water disclosures also includes water consumed by residential colonies within the plant premises.

\*\*Water consumption includes 24.14 million cubic meter of recycled water used in the processes/operations/residential premises.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the indicators marked by '\*' above.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, Out of the 21 manufacturing locations of Grasim, 9 have ZLD plants out of which one is under commissioning. This invention eliminates liquid effluents and recovers 95% of the water used in the viscose process, setting a new standard for closed-loop production. Grasim has implemented ZLD plants in Nagda, Renukoot, Ganjam, Rehla, and BB Puram for Chlor-Alkali business and in Nagda for VSF business. Veraval and Karwar have received MoEFCC permission for deep-sea discharge. ZLD facilities are also present in two textile plants and one Halol Insulators unit.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	MT	2,128.67*	2,013.49
SOx	MT	7,273.01*	6,332.01
Particulate matter (PM)	MT	1,038.54*	1,311.72
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others	NA	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the indicators marked by '\*' above.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-2023	FY 2021-2022
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million MTCO <sub>2</sub> e	4.72*	4.57
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million MTCO <sub>2</sub> e	1.62*	1.39
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Emission per rupee of turnover	236.20	285.98
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional)- the relevant metric may be selected by the entity	NA	-	-

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the indicators marked by '\*' above.

## 7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide detail.

Yes, Grasim has implemented various projects aimed at reducing greenhouse gas emissions.

1. Energy efficiency initiatives:
  - a. Increasing the efficiency of coal-based captive power plants through continuous performance monitoring and advanced process control.
  - b. Implementing measures to reduce specific energy consumption in the process and eliminating energy-intensive steps in the operational series.
  - c. Upgrading and optimising the generation for electrolyzers through recoating/ re-membraning.
  - d. Implementing electrolyser cell power optimiser and Life Cycle & Performance Management Systems.
  - e. Optimisation of system & equipment efficiency throughout our operations.
  - f. Proactively replacing conventional equipment with highly efficient latest-design equipment.
2. Renewable Energy (RE):
  - a. Sourcing renewable energy by adding three more manufacturing units, taking the count to total 8 units. Additional sites are being evaluated for sourcing RE power.
  - b. Increasing the share of RE power from 5% to 8% on Y-o-Y basis.
3. Green Power:
  - a. Harihar unit in our Viscose business has successfully implemented a 10 MW green power generation system that utilises waste liquor, effectively reducing coal consumption.
  - b. We are actively exploring additional initiatives to source power from waste steam, further enhancing our green power generation.
4. Alternate fuel:
  - a. Pilot trial has been successfully carried out for replacing fossil fuels like coal with low carbon fuel or renewable fuel e.g. Agro waste/ Biofuel/ process waste as a fuel source.

## 8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-2023	FY 2021-2022
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2,361.32*	-
E-waste (B)	104.60*	-
Bio-medical waste (C)	21.10*	-
Construction and demolition waste (D)	12,537.31*	-
Battery waste (E)	99.79*	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	2,29,316.38*	1,33,865.01**
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	6,54,238.62*	8,94,063.10
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>8,98,679.11*</b>	<b>10,27,928.11</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Hazardous waste</b>		
<b>Category of waste</b>		
(i) Recycled	1,39,567.40	49,720.53
(ii) Re-used		
(iii) Other recovery operations	20,010.77	16,797.33
<b>Total</b>	<b>1,59,578.17</b>	<b>66,517.86</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Non-Hazardous waste</b>		
<b>Category of waste</b>		
(i) Recycled	5,81,717.33	7,70,193.66
(ii) Re-used		
(iii) Other recovery operations	67,684.90	86,451.10
<b>Total</b>	<b>6,49,402.23</b>	<b>8,56,644.76</b>
<b>For each category of waste generated, the waste disposed by nature of disposal (in metric tonnes) (Hazardous Waste)</b>		
(i) Incineration	1,174.78	870.06
(ii) Landfilling	1,09,765.91	66,477.10
(iii) Other disposal operations		
<b>Total</b>	<b>1,10,940.69</b>	<b>67,347.16</b>
<b>For each category of waste generated, the waste disposed by nature of disposal (in metric tonnes) (Non-Hazardous Waste)</b>		
(i) Incineration	21.05	0.44
(ii) Landfilling	9,601.92	37,417.90
(iii) Other disposal operations	-	-
<b>Total</b>	<b>9,622.97</b>	<b>37,418.34</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, Limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the indicators marked by '\*' above.

\*\*The bifurcation was not assured last year.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Grasim's waste management system is well defined to manage its operational waste and ensures responsible waste management practices. All our sites comply with local waste management regulations for disposal and classification. Our waste management approach continues to evolve as we strive to better identify and account for our waste. Most of the waste generated at our sites is recycled, reused, or recovered, and we focus on reducing the amount of waste that goes to landfills or incineration. We follow the principles of the circular economy in our waste management, meaning that we aim to use waste as a resource for other processes or industries. Any hazardous waste generated at our facilities is either supplied to authorised recyclers, disposed of through Treatment, Storage, and Disposal Facilities (TSDF), or used as raw material by other industries.

Proper segregation and methodical inventory management of solid waste is one of the key pillars for effective solid waste management at Grasim.

Organic Waste having calorific value finds application to replace fossil fuel and inorganic waste based on composition can be used as substitute to virgin raw material for co-processing. One of the examples is gypsum generated from wastewater treatment plant can replace natural gypsum and fly ash generated from captive power plants is used in cement plants/ brick manufacturing. As well as bio-sludge from ETPs are used in captive power plant to replace coal. Solid waste management becomes important as incineration process adds to GHG emission and landfilling is cost intensive as well as sensitive to seasonal changes.

P&F business levers are being devised based on above philosophy to achieve goal of zero waste.

Further we have comprehensive waste management plan, which includes identification and categorisation based on its characteristic and schedule of HWMR-2016. Waste stored in designated storage area as per CPCB/SPCB guidelines. Our Chemical sector is continuously increasing multi-source procurement of super washed/washed salt, which helps in reduction of sludge generation. Further we are in process of installing treatment system to eliminate/reduce sulphate and thus achieve sludge reduction up to 30%. Company is in advance phase of initiation to send the sludge to fertiliser industries to produce NPK Fertiliser as well.

In addition to this our facility has a Chemical Management team as per our Chemical Management policy. Workmen are using these chemicals with proper PPEs (gloves, safety shoes, goggles etc). Periodic trainings are given to educate and aware them on the hazards of the Chemicals. Chemical spill kits are also available in all the chemical handling department. We are in process of developing chemical management professional and we always prefer our suppliers to provide Manufacturing Restricted Substance List (MRSLS), Restricted Substance List (RLS) declarations along with Material Safety Data Sheet (MSDS).

Some of our units are certified with EUBAT complying with stringent norms of waste disposal as well as in the process of achieving Zero Discharge of Hazardous Chemicals.

We are therefore placing persistent efforts in reducing waste to landfill or incineration.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:**

None of the sites are located in ecologically sensitive areas. However, the company is planning to conduct biodiversity impact assessments for selected sites to understand and mitigate any potential impact on biodiversity.

Please refer to Biodiversity Policy: <https://www.grasim.com/Upload/PDF/biodiversity-policy.pdf>

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Grasim Industries Birla Paints Division, Chamarajanagar, Karnataka	EC22B023KA154511	11-04-2022	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/ec-state-level-environment-impact-assessment-authority-seiaa-karnataka.pdf">https://www.grasim.com/Upload/PDF/ec-state-level-environment-impact-assessment-authority-seiaa-karnataka.pdf</a>
Grasim Industries Birla Paints Division, Mahad, Maharashtra	EC22B023MH151788	24-08-2022	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/environment-clearance-mahad.pdf">https://www.grasim.com/Upload/PDF/environment-clearance-mahad.pdf</a>
Grasim Industries Birla Paints Division, Kharagpur, West Bengal	EC22B023WB164110	06-12-2022	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/environmental-clearance-birla-paints-kharagpur-nov22.pdf">https://www.grasim.com/Upload/PDF/environmental-clearance-birla-paints-kharagpur-nov22.pdf</a>

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law/ regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1.	Alleged pollution of water	SCN issued by JSPCB on alleged water pollution.	₹2,07,37,500 paid to JSPCB in the full and final settlement without admitting liability. The matter was dismissed as withdrawn.	All points are complied and closed. Full and Final settlement without admitting liability.

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in million GJ) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-2023	FY 2021-2022
<b>From Renewable Sources</b>		
Total electricity consumption (A)	0.95	0.78
Total fuel consumption (B)	2.59	2.52
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>3.54</b>	<b>3.30</b>
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D)	6.39	5.61
Total fuel consumption (E)	53.71	51.01
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>60.10</b>	<b>56.62</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the above indicator.

## 2. Provide the following details related to water discharged:

Parameter	FY 2022-2023	FY 2021-2022
<b>Water discharge by destination and level of treatment (in million Cubic Metre)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – Secondary Level Treatment	10.22	13.27
(ii) To Groundwater		
- No treatment	-	-
- With treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – Secondary Level Treatment	9.84	15.45
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – Secondary Level Treatment	5.58	0.03
(v) Others		
- No treatment	-	-
- With treatment	-	-
<b>Total water discharged (in Million Cubic Metre)</b>	<b>25.64</b>	<b>28.75</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

## 3. Water withdrawal, consumption, and discharge in areas of water stress (in million Cubic Metre):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area: Since all our plant regions fall under any of the parameters of water stress, drought risk or water depletion as per WRI Aqueduct Tool, we have considered all regions under water stress. Please refer to Page No. 26 for our plant locations.
- Nature of operations: Not Applicable
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-2023	FY 2021-2022
<b>Water withdrawal by source (in Million Cubic Metre)</b>		
(i) Surface water	37.56	36.28
(ii) Groundwater	3.09	2.18
(iii) Third party water	13.36	10.87
(iv) Seawater / desalinated water	-	-
(v) Others (Rain Water)	0.03	-
<b>Total volume of water withdrawal (in Million Cubic Metre)</b>	<b>54.04</b>	<b>49.33</b>
<b>Total volume of water consumption (in Million Cubic Metre)</b>	<b>52.54</b>	<b>36.87</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>1,957.64</b>	<b>1,767.96</b>
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
<b>Water discharge by destination and level of treatment (in Million Cubic Metre)</b>		
(i) To Surface water		
- No treatment	-	-
- With treatment – Secondary level of treatment	10.22	13.27
(ii) To Groundwater		

Parameter	FY 2022-2023	FY 2021-2022
- No treatment	-	-
- With treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – Secondary level of treatment	9.84	15.45
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – Secondary level of treatment	5.58	0.03
(v) Others		
- No treatment	-	-
- With treatment	-	-
<b>Total Water Discharged</b>	<b>25.64</b>	<b>28.75</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

## 4. Please provide details of total Scope 3 emissions &amp; its intensity, in the following format:

Parameter	Unit	FY 2022-2023	FY 2021-2022
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Million MTCO <sub>2</sub> e	5.57^	4.81
Total Scope 3 emissions per rupee of turnover	Emission per rupee of turnover	207.43	230.85
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NA	-	-

^Categories 1, 2, 3, 4, 5, 6, 7 and 9 considered for calculation of scope 3 GHG emissions

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, limited assurance has been undertaken by Price Waterhouse Chartered Accountants LLP for the above indicator.

## 5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct &amp; indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

No Impact.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Waste Heat Recovery	With help of Pinch analysis, we have been able to carry out utilisation of low temperature waste hot stream for heating process fluid and thus reducing equivalent requirement of energy.	Reduction in Steam Consumption for process heating. Reduction in power consumption of Effluent treatment plant.
2.	Condensate Recovery	Utilisation of vapor condensates in place of soft water for product washing.	Decrease in freshwater consumption in process washing.
3.	Installation of high efficiency equipment	Increasing number of stages of evaporators, thus increasing the evaporation efficiency.	Increase in steam economy, thus reduction in absolute steam consumption.
		Replacement of old Economiser with higher Heat Transfer Area and Efficiency new Economiser to extract more heat from Gases.	Increased waste heat recovery and reduction in equivalent steam consumption.
		Replace old low efficiency air compressor with high energy efficient air compressor.	Equipment specific power consumption reduction.
		Replacement of conventional lights by LED lights.	Reduction in illumination power consumption.
		Upgradation of Conventional Ceiling fan with BLDC fans.	Reduction in power consumption.
4.	Power Plant Performance Monitoring and Improvement	Improve Steam to Fuel ratio from of Boiler by various energy conservation measures and operational excellence.	Reduction in Non-Renewable fuel consumption.
		Upgradation of turbine by Installing New Rotor and Diaphragms for Energy Efficiency-Boiler House.	Drop in steam and power consumption.
5.	RE Power	Sourcing RE power in form of Solar and Wind Power.	Site specific reduction in GHG Emission intensity.
6.	Green Power	Utilising waste liquor as fuel to run boilers.	Equivalent reduction of Non-Renewable fuel consumption.
		Power generation using waste steam	
7.	Waste Characterisation	Identifying the characteristics of each type of waste generated and finding suitable use for each of the waste. For e.g. Successfully being able to divert effluent plant waste sludge from land fill to cement industries. Further looking for innovative solutions to reduce the waste generation at source.	Circularity of waste and thus reduction in waste to landfill.
8.	Zero Liquid Discharge/Minimum Liquid Discharge	Installation of RO for recovering water.	Reduction in freshwater consumption as well as effluent discharge.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

As part of our commitment to conduct operations in a safe manner we prepare to respond to crises that may occur. A "Crisis" is an inherently abnormal, unstable, and complex situation that represents a threat or harm to people, the environment, the strategic objectives, reputation, or financial viability of an organisation. A crisis may arise from negative press coverage that threatens

reputation, government investigation, high-profile law suites, natural disasters, terrorist attacks, cyber-attacks, data breaches, workplace or external accidents (fire, explosion, severe injury to personnel), workplace or community violence and pandemics.

Grasim expects its Businesses to be resilient if confronted by any crisis mentioned above.

The goal of this plan is to prepare to take actions quickly to mitigate the adverse implications of the crisis. The objective of crisis management is to mobilise competent personnel with sufficient seniority and the necessary resources and to manage the consequences/outcomes of a crisis on People, Environment, Shareholder & Brand Value, Infrastructure, Reputation).

Grasim is strongly committed to maintaining a safe and secure operational environment. As part of this commitment, the company has developed a comprehensive business continuity and disaster management plan. These plans are communicated across all locations and undergo regular testing to ensure their effectiveness in the event of an unforeseen incident. To further enhance emergency preparedness, Grasim has partnered with an agency to manage Code Red and Call Centre operations specifically for its India Operations. In case of an emergency, any employee within the Aditya Birla Group can contact the Code Red emergency number to report an incident. The Code Red team verifies the employee's information and gathers more details about the situation. During a crisis, the Site Incident Command System (ICS) contacts the call centre to inform them about the specific scenario and activate their services.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

There is not adverse impact to the environment from our value chain entities.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact.**

We ensure that 100% of our pulp suppliers undergo thorough assessments to evaluate their environmental impact.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

**1. a) Number of affiliations with trade and industry chambers/ associations.**

Twenty Two (22)

**b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2.	India Chemical Council	National
3.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4.	Alkali Manufacturer Association of India	National
5.	Confederation of Indian Industry (CII)	National
6.	Association Of Man-made Fibre Industry Of India (AMFII)	National
7.	The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC)	National
8.	Confederation of Indian Textile Industry (CITI)	National
9.	Apparel Export Promotion Council (AEPC)	National
10.	Indian Technical Textile Association	National

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No new cases were filed in the current financial year.

Listed below cases are ongoing cases from the previous years.

Name of Authority	Brief of the case	Corrective action taken
Competition Commission of India	Competition Commission of India (CCI) has passed an order dated 16 <sup>th</sup> March 2020 under Section 4 of the Competition Act, 2002, imposing a penalty of C301.61 crore in respect of the Viscose Staple Fibre turnover of the Company.	The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT)
Competition Commission of India	Without considering that an Appeal is already pending against the aforesaid Order, the CCI passed another Order dated 3 <sup>rd</sup> June 2021, levying a penalty of C3.49 crore for non-compliance with the Order passed on March 16, 2020.	The Company filed Writ Petition before the Hon'ble Delhi High Court against the Order of the CCI.
Competition Commission of India	Competition Commission of India (CCI) has passed another order dated 6 <sup>th</sup> August 2021 under Section 4 of the Competition Act, 2002. However, because of the penalty of C301.61 crore has already been imposed on the Company in previous order the CCI deemed it appropriate not to impose any further monetary penalty on the Company.	The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT)

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity.**

S.No	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
1.	<u>Recommendations to the Ministries to facilitate and enhance export demands</u> <ul style="list-style-type: none"> <li>Free Trade Agreements (FTAs) - Provided recommendations that highlight the potential benefits and growth prospects for this sector resulting from FTAs.</li> <li>Suggested organising regular market promotion events in international geographies (Europe, USA and Japan) that have a largest consumer base for wool products.</li> </ul>	We have provided regular inputs and recommendations specifically tailored to our sector to the respective Ministries of the government with aim to contribute to policymaking and provide valuable insights that address the unique needs and challenges of our industry, fostering growth and development.	No	As and when required.	NA
2.	<u>Pre-budget expectations (Income Tax budget announced in February'23)</u>				
3.	<u>Recommendation for Technology Upgradation Fund Scheme (TUFS) for Textile Sector</u> Recommended changes and sought clarification from the Ministry of Textiles regarding the previous Textile Upgradation Fund (TUF) Scheme.				
4.	<u>Recommendation for revisions in Drawback Rate as per Customs Act, 1962</u> Recommended revisions to the drawback rate to the Ministry of Finance.				

S.No	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
5.	<u>Engagement with Central Pollution Control Board (CPCB)</u> Actively engaged with the Central Pollution Control Board (CPCB) through the "EPR Portal for Plastic Packaging" to ensure the appropriate processing of our plastic packaging waste.				
6.	<u>Recommendation for revising the Goods and Services Tax rate to Nil for selected textile raw materials</u> Recommended revising the Goods and Services Tax (GST) rates for Noil and other textile raw materials to Nil in order to promote and support Small and Medium Enterprises (SMEs).	We have provided regular inputs and recommendations specifically tailored to our sector to the respective Ministries of the government with aim to contribute to policymaking and provide valuable insights that address the unique needs and challenges of our industry, fostering growth and development.	No	As and when required.	NA
7.	<u>Recommendation to National Handloom Development Corporation</u> Recommended maintaining stock of wool yarn in strategic hubs such as Srinagar, Amritsar, and Bhadohi to facilitate seamless supply to Small and Medium Enterprises (SMEs), thereby enabling increased exports, as corporates are reluctant to operate in these areas due to associated risks.				

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Resulted communicated in public domain (Yes/ No)	Relevant Web Link
Rural Development Project	NA	17-07-2023	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/impact-assessment-report-rural-development-project-1.pdf">https://www.grasim.com/Upload/PDF/impact-assessment-report-rural-development-project-1.pdf</a>
Curative Healthcare Project	NA	17-07-2023	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/impact-assessment-report-curative-healthcare-project-1.pdf">https://www.grasim.com/Upload/PDF/impact-assessment-report-curative-healthcare-project-1.pdf</a>
Education Project	NA	17-07-2023	Yes	Yes	<a href="https://www.grasim.com/Upload/PDF/impact-assessment-report-education-project-1.pdf">https://www.grasim.com/Upload/PDF/impact-assessment-report-education-project-1.pdf</a>

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

S.No.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts Paid to PAFs in the FY (in INR)
						NIL

### 3. Describe the mechanisms to receive and redress grievances of the community.

Grasim has implemented an effective system for receiving and addressing grievances from the community. The company has taken prompt and appropriate actions to address these complaints, ensuring timely closure and conducting follow-ups to prevent their recurrence.

Furthermore, it has established a dedicated grievance redressal mechanism specifically designed for community. The company actively communicates this procedure to stakeholders to raise awareness and promote transparency in how they can voice their grievances. To facilitate this process, stakeholders can approach our Admin & Liaison Officer, who will then escalate their concerns to the Grievance Committee for further action.

Grievance Mechanism Process: Our 6-step process is followed up to resolve any grievances.

Step 1: Receive Grievance

Step 2: Record

Step 3: Screen

Step 4: Investigate

Step 5: Act

Step 6: Follow up and close out

Firstly, all formal grievances are recorded in the Grievance Register, and relevant forms are saved for documentation. Upon submission of a grievance, it is acknowledged within five working days. The Stakeholder officer and employees are responsible for investigating the grievance, which may involve site visits, consultations, and record-keeping. The gathered information is analysed to determine the appropriate steps for resolution. The Stakeholder officer creates an action plan, assigns tasks, monitors progress, and informs the external stakeholder once the grievance is resolved. Finally, three weeks after resolution, the Stakeholder officer follows up with the external stakeholder to ensure satisfaction and collect feedback on the process.

For detailed information on our stakeholders' grievance redressal policy, please refer to the following web link: <https://www.grasim.com/Upload/PDF/grasim-grievance-handling-policy-fy21.pdf>

### 4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2022-2023	FY 2021-2022
Directly sourced from MSMEs/ Small producers	15%	7%
Sourced directly from within the district and neighbouring districts	20%	24%

### Leadership Indicators

#### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Lack of quality and skilled teachers	Adopted Digital learning in Government-run schools by creating technology-oriented learning system. The digital classroom has made teaching and learning easy, interactive and advanced. E-literacy programme has benefited more than 6,000 children.
Low level of student participation	Educational kits along with school bags were provided to kids. Also health checkups of more than 3,500 students of 27 primary schools were conducted.
Women Empowerment	More than 700 girls and women in the villages were distributed new machines to undertake tailoring course. The course has helped women of all ages making them self-sufficient and find sources of income generation.
Poor school Infrastructure	Provided support to Anganwadi and Primary schools through various ways like financial support for infrastructure aid in schools, providing furniture and equipment, sports facilities, etc.

Details of negative social impact identified	Corrective action taken
Afford ability of healthcare services	Set up hospitals and clinics and also taken up very useful initiatives of Mobile health camps across villages. Supported healthcare initiatives at Indubai Parekh Memorial Hospital (Nagda) and Jan Kalyan Hospital (Kharach)
High dependency of farmers on single crop	Over 2,300 farmers were covered through on-field demonstration of crop varieties, conducting training and exposure visits and helping to avail the benefits from Government Schemes. More than 28,000 saplings of forestry, fruit and shade trees are distributed every year
Clean and safe drinking water	Setup RO water plant in one village at Nagda, providing clean drinking facility through tankers to five villages covering population of over 5,000. RO water was installed in 3 villages near Vilayat along with water tank at Derol village having 1,500 beneficiaries.

#### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (₹)
1	Jharkhand	Palamu & Garhwa	1,31,85,099
2	Uttar Pradesh	Sonbhadra	50,00,000

#### 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No

#### (b) From which marginalised /vulnerable groups do you procure?

Not Applicable

#### (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

#### 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating of benefits shared
				Not Applicable

#### 5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of case	Corrective action taken
		Not Applicable

#### 6. Details of beneficiaries of CSR Projects.

S. No	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Healthcare initiatives	5,87,741	100%
2	Education initiatives	1,45,341	100%
3	Sustainable livelihood initiatives	1,90,525	100%
4	Infrastructural Development Initiatives	1,16,549	100%
5	Social Welfare Initiatives	65,594	100%

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The company has established a structured mechanism to receive and address the consumer complaints and feedback in a timely manner. The company's senior management regularly review the complaints to ensure appropriate action is taken to resolve in an effective manner. The specific escalation process may vary depending on the nature of the business, considering both B2B and B2C components.

The company's mechanism



**Step 1: Complaint registration** – Customers can submit complaints online through the Customer Relationship Management system (DWOL), managed by the Customer Care Services (CTS) team which is further sent to the marketing team. Another method by which the customers can register their complaint is by writing an email.

**Step 2: Process input** – Customer complaint details, including the product name, batch number, and type of complaint, are obtained from the marketing department through an email.

**Step 3: Process interface** – In this stage, several actions are taken to analyse the customers' complaints.

- Marketing personnel enter the complaint into the Customer Relationship Management (CRM) system and generate a unique Ticket ID.
- The marketing department communicates the complaint details to the relevant departments.
- Quality-related complaints are promptly investigated and communicated to the Supply Chain Management (SCM) and marketing departments.
- If necessary, the marketing department requests a complaint sample from the customer.
- Genuine complaints undergo a detailed root cause analysis, which is escalated for further action.
- The detailed root cause analysis and corrective action report are shared with the customer through the marketing department. The response time depends on the customer's location:
  - Domestic customers: Quality, packaging documentation, and label complaints are addressed within 15 days, while weight shortage and application complaints are addressed within 60 days.
  - Export customers: Quality, packaging documentation, and label complaints are addressed within 30 days, while weight shortage and application complaints are addressed within 60 days.
- If a complaint is found to be not genuine, the customer is informed accordingly.
- If feasible, the Quality Assurance (QA) department may recommend visiting the customer to better understand and verify the complaint's authenticity.

**Step 4: Feedback** – The company provides an online mechanism for customer feedback through Mission Happiness, a highly active portal. Approximately 95% of its customers provide feedback through this platform.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

This information is available in a product 'Safety data sheet' (SDS).

The Company's products confirm to all applicable statutory parameters.

	As a percentage to total turnover
Environment and Social parameters relevant to product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Not applicable

**3. Number of consumer complaints in respect of the following:**

	FY 2022-2023			FY 2021-2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Others	389	67	-	53	Nil	-

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reason for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, The Company has a framework and policy on cyber security and risks related to data privacy. Grasim has implemented a comprehensive framework and policy to ensure the safety and integrity of its data. The policy provides guidelines on asset usage, data classification and sharing, data backup, asset security, software usage, internet usage, email practices, and more. The company emphasises the importance of adopting best practices to maintain the highest standards of cyber security in the workplace.

You can find the information security policy of Grasim at the following web link: <https://www.grasim.com/Upload/PDF/information-security-policy.pdf> & [www.grasim.com/Upload/PDF/information-security-policy.pdf](http://www.grasim.com/Upload/PDF/information-security-policy.pdf).

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No incidence was reported in the last financial year, thus no corrective actions taken.

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

We have a range of websites that cater to different aspects of information on products and services which are listed below

<p><b>Overall</b></p> <p>Grasim Industries: <a href="http://www.grasim.com">www.grasim.com</a> Mission Happiness: <a href="http://www.missionhappiness.com">www.missionhappiness.com</a> (For feedback)</p>	<p><b>Viscose</b></p> <p>Birla Cellulose: <a href="http://www.birlacellulose.com">www.birlacellulose.com</a> Livaeco: <a href="http://www.livaeco.com">www.livaeco.com</a> Liva Fluid Fashion: <a href="https://www.livafluidfashion.com/">https://www.livafluidfashion.com/</a> Liva Home: <a href="http://www.liva-home.in/">http://www.liva-home.in/</a> Navyasa: <a href="https://navyasabyliva.in/">https://navyasabyliva.in/</a></p>
<p><b>Textiles</b></p> <p>Jayashree Textiles: <a href="http://www.jayashree-grasim.com">www.jayashree-grasim.com</a> Grasim Premium Fabrics: <a href="http://www.grasimpremiumfabrics.com">www.grasimpremiumfabrics.com</a> Linen Club: <a href="https://www.linenclub.com/">https://www.linenclub.com/</a></p>	<p><b>Chemicals</b></p> <p>Aditya Birla Chemicals: <a href="http://www.adityabirlachemicals.com">www.adityabirlachemicals.com</a> Speciality Chemicals: <a href="http://www.abg-am.com">www.abg-am.com</a></p>

These sites provide products based on their application or end-use industry segment, chemistry, and brands. We also offer an "Enquiry" facility on the website, where potential customers can inquire about specific products. Additionally, we are working on making CRM (Customer Relationship Management) available soon, providing customers with a live view of our offerings.

## 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company effectively showcases product information using various methods including bale packaging, hang tags and similarly on website clearly presenting the product names, attributes, and benefits. Additionally, The Company has incorporated a 'molecular tracer' in select speciality fibres, enabling customers to obtain comprehensive information about the product's source and the certified sustainable forestation practices involved. We prioritise responsible product usage by providing safety sheet for all our products. We provide Material Safety Data Sheet (MSDS) with all our Chemicals products.

## 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Grasim, as a responsible organisation, has established robust mechanisms to inform consumers of any potential risks related to disruption or discontinuation of essential services. These mechanisms include proactive communication channels such as official websites, social media platforms, and dedicated customer service helplines. Grasim ensures that consumers are promptly notified about any upcoming maintenance, upgrades, or potential disruptions that may impact their access to essential services. By prioritising transparent and timely communication, Grasim aims to minimise inconveniences for consumers and maintain a strong relationship built on trust and reliability.

## 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, Grasim goes beyond the requirements mandated by local laws and displays additional product information to provide comprehensive details to consumers.

The Company ensures product information is displayed through various mediums. Starting from bale packaging to hang tags, the product names, attributes, and benefits are clearly communicated. Additionally, the Company maintains a website where detailed information about its products and their usage is readily available. In a noteworthy initiative, the Company has incorporated 'molecular tracer' technology in select specialty fibres. This innovative feature provides complete transparency regarding the product's origin and verifies sustainable forestation practices certified by reputable third-party agencies. By implementing such measures, the Company aims to enhance consumer trust and promote sustainable sourcing practices. Grasim believes in empowering consumers to make informed choices.

Regarding consumer satisfaction surveys, Grasim regularly conducts surveys to gauge consumer satisfaction. These surveys cover various aspects such as major products/services, significant operational locations, and the overall entity. By understanding consumer feedback, Grasim strives to continuously improve its offerings and enhance customer experiences.

## 5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact  
Nil
- b. Percentage of data breaches involving personally identifiable information of customers  
NA

# Towards Inclusive Growth: CSR Report 2022-23

**“Global development is not possible without women’s participation”,** a profound statement made by our Honourable Prime Minister, Shri Narendra Modiji, at the G20 Summit in Bali, clearly signals the fact that women are indeed at the core of India’s G20 agenda. The Government of India is soon to hold the G20 Ministerial Conference on Women Empowerment. In this context, EMPOWER is the G20 alliance fixated on empowerment and progression of women’s economic representation. A McKinsey report mentions that India can line its GDP up to 18 percent if it can work out ways to bridge the gender equity gap. This is the outcome of envisioning the positive power of women, if their creative potential was tapped to the maximum. Our Government is a signatory to the UNSDG Goals, among which SDG-5 is a commitment to gender equality. Phenomenal steps has been taken to rise up to this goal and assiduously pursue the upliftment of women every which way.

As you may be aware, G20 Presidency of India is ongoing. Within its frame EMPOWER is championing women led development pivoted on women entrepreneurship, leadership inclusive at all levels, grassroots and above as well as education. FICCI has been named the official G20 EMPOWER Secretariat. One is privileged to serve on this team and even more heartened to see that all of its objectives are already embedded in our Aditya Birla Group companies, and we are totally in sync with its focus, both at the corporate level and in the interiors.

At the corporate level, over 7,500 women are in the management cadre of which 10 percent are in leadership roles. Our constant endeavour is to go on fostering the enabling ecosystem and the inclusive culture that ABCites experience and take pride.

We are engaged in enriching lives in 9,000 villages pan India, through our multiple CSR initiatives. A call-out of our selective women centered projects:

- More than 20,280 women were served through livelihood programmes enabled by the Nudge Foundation’s Asha Kiran project with our support.

- Over 14,000 women are employed in our fashion business. These are unlettered and come from villages.
- Honing skills and training vulnerable communities in different vocations.
- Strengthening the women farmer community, endeavouring to close the marketing loop and forming women led Farmer Producer Organisations (FPO) on high value agriculture.
- Setting up watershed management and water harvesting processes towards sustainable livelihood.
- We have trained ~ 50,000 women in different skills set.
- We have empowered ~ 45,000 women through the creation of 5,000 SHGs. They are engaged in income generation activities such as tailoring (our uniforms at the manufacturing plants are tailored by the SHG women), also running salons, making masalas, papads and other kitchen condiments, which again are looped back to us besides the local market. Livestock rearing, horticulture and vegetable cultivation, besides toy making are some of the areas, these SHGs specialise in with our handholding on the financial side, helping them access loans.
- In the domain of education, we reach out to well over 100,000 students through our network of formal (52 schools) and non-formal educational institutes. Of these girls constitute 50%. Furthermore, we foster the cause of the girl child through 52 Kasturba Gandhi Balika Vidyalayas.

In our journey up until now, in different phases, we have seen women evolve and develop grit and substance, reflecting the triumph of the human spirit.

Your Company is equally committed to unlock the creative potential of women to the optimal, with a clear linkage to the SDG Goals. Read on.”

**Smt. Rajashree Birla**

Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development  
Chairperson, CSR Committee of the Board, Grasim Industries Limited

### A summary of our CSR work:

#### SDG-1: TO RID POVERTY ACROSS ALL NATIONS BY 2030

In the 9 states where we operate, we are engaged in enriching lives of the underprivileged, in multiple ways to decelerate the percentage of Below Poverty Line (BPL) families.

#### SDG-2: TO END ALL FORMS OF HUNGER AND MALNUTRITION BY 2030

Through sustainable agriculture, helping farmers with land clearances, technology upgradation, closing the marketing loop, Government Schemes and supporting the District Authorities, including Collectors and Block Development Officers, we are aiming to significantly lowering the current rate of malnutrition from 5% to 3% of the population in the foreseeable future. Unfortunately of the undernourished, more than 70% constitutes the girl child.

#### WATER POSITIVITY

Up until now we have constructed 9 check dams and ponds, 98 rainwater harvesting structures, soak pits, large ponds, roof water harvesting, farm well, underground water tanks. This has enabled us conserve 3.37 billion liters of water reaching out to 18,360 farmers (Nagda, Veraval, Harihar, Rishra). Furthermore, a 196 acre horticulture plot developed has been a boon to our farming populace at Nagda, Harihar, Halol, Renukoot, Ganjam, Vilayat, Veraval and Rehla. Organic farming (Nagda, Halol and Veraval) is much encouraged.

Veterinary camps aided over 8,856 cattle owners. Nearly 24,169 cattle were immunised and 4,945 cattle were artificially inseminated. It has enhanced the income of the farmers as the milk outcome notched up by 30%. Farmer training programmes have been intensified. Collectively there has been an upswing in their earnings. Through our initiatives in dairy development, vermi-compost, nutrition and agriculture, we were able to touch the lives of 10,582 women.

#### SDG-3: ENSURING, HEALTHY LIVES AND PROMOTING WELL-BEING FOR ALL, IN ALL AGE GROUPS

Over 5.88 lakh people recourse to our 2,142 healthcare camps.

Our 5 ambulances attend to a 37,931 strong populace. Alongside, we tend to patients at our company's five hospitals and dispensaries.

Furthermore, eye camps, dental checkups, blood donation, homeopathy, Thalassemia, hemoglobin testing, Tuberculosis, Diabetic, Blood Pressure, Thyroid, Cancer Screening, Skin Care and general health counselling resulted in benefitting 12,652 families.

Importantly, collaborating with the District Health Department, our 47 Family Welfare Centres, we reached out to 18,425 women (antenatal, post-natal care, mass immunisation, nutrition and escort services for institutional delivery). Over 38,253 children were immunised against polio, BCG, DPT and Hepatitis-B across the Company's locations. Our engagement qualitatively impacted the lives of 2,94,000 women.

#### SDG-4: EDUCATION

Our close involvement with the Kasturba Gandhi Balika Vidyalayas has motivated 2,188 girls to pursue formal education.

Over digital literacy programmes delighted 3,626 students from the villages (Nagda, Vilayat, Renukoot, Veraval, Kalyan, Ganjam and Harihar).

Nearly 4,950 children enrolled at 166 Anganwadis that we support (Nagda, Vilayat, Harihar, Rehla, Karwar, Veraval). Under the Integrated Child Development Scheme (ICDS), 389 malnourished children were nurtured by us on the road to health.

At six Aditya Birla Public Schools (Nagda, Kharach, Harihar, Rehla), we have 4,842 students.

The 'Gyanarajan' project, which provides special coaching for Grade XI - XII students to enable them to appear for JEE and NEET competitive exams was welcomed by students overwhelmingly. At Nagda, Rishra, Vilayat, Kharach, Veraval and Renukoot, 3,326 students have been given a scholarship.

Through project 'Shishya' (Rishra) 402 students attained proficiency in English.

Bettering the infrastructure of 6 school buildings (Nagda, Vilayat, Rehla and Karwar), helped accord sanitation and drinking water facilities at several schools. Our initiatives to foster the education of the girl child drew more than 10,152 girls to formal education.

#### SDG-5: WOMEN EMPOWERMENT AND GENDER EQUALITY

In the 350 Self-Help Groups (SHGs) totaling 3,650 women, each one of them has been on a transformative journey, with some of them becoming spawning micro enterprises.

At Harihar, our SDG women group have made 49,608 spinning candle bags and 51,000 face masks. In all, Grasim's SHGs made 91,500 face masks. Yet another group of our SHGs stitched 1.14 lakh jute bags for vendors.

#### THE SIXTH, SEVENTH AND EIGHTH SDGS, CENTRE ON WATER AND SANITATION, RELIABLE, SUSTAINABLE, MODERN ENERGY, DECENT WORK, AND ECONOMIC GROWTH.

Our 26 Reverse Osmosis (RO) plants provide safe drinking water. Pipelines and bore wells, water tanks, doorstep water facilities benefit more than 2,00,461 villagers.

Additionally, 34 individual toilets and sanitation facilities were constructed at various locations. Consequently, 95% of the villages where we operate have been declared Open Defecation Free (ODF). In the domain of drinking water and sanitation, 7,615 women reaped the benefits directly.

Imparting vocational training, skills training, along with our farm/non-farm-based programmes and SHGs, meet with these SDG goals. Collectively we have changed the lives of nearly 10,813 people.

#### SDG-9: BUILD RESILIENT INFRASTRUCTURE

Our infrastructure projects: connectivity, road repairs, community halls and assets, resting places, installation of solar street lights, Cement benches, construction of water tanks and installation of piped water supply, Washing Platform, have improved the lives of 1,16,549 women.

Of the 311 villages we operate in, 50 villages have been slated to become 'model villages'. Up until now, 30 villages have made the cut to be rated as model villages. Impact assessment studies by external agencies have certified/commended the transformation of these villages. In sum, the total number of women beneficiaries crossed 3,84,270, which is indeed notable.

#### Accolades/Awards received:

##### Grasim, Nagda

- o Best CSR Impact Awards at the 7<sup>th</sup> Edition Corporate Social Responsibility Summit & Awards 2023
- o The CSR Journal Excellence Awards 2022 (1<sup>st</sup> Runner-up)– Agriculture and Rural Development

##### Grasim, Rishra

- o Award won for Promoting Education at the 5<sup>th</sup> Indian Chamber of Commerce (ICC) Social Impact Awards, 2023
- o 20<sup>th</sup> Federation of Indian Chambers of Commerce & Industry (FICCI) CSR Awards – "Appreciation Plaque for Commendable CSR Work"

##### Grasim, Harihar

- o Gold Award won for Health & Medical Care at the Grow Care India CSR Excellence Awards

#### Our CSR spends

This year the Company has spent ₹54.19 crore excluding CSR expenditure of ₹4.50 crore which remained unspent and classified as ongoing projects by the Board and it has been transferred to separate bank account in April 2023. Your Company spent ₹34.16 crore towards obligatory CSR activities and additionally ₹20.03 crore as voluntary CSR activities.

For having come this far, we deeply acknowledge the unflinching support of our Chairman and Chairperson (CSR Committee), and their commitment to the larger good of society. We thank the Board of Directors, our Management, leadership teams, our CSR colleagues and each and every colleague from Grasim for always cheering our CSR engagements, geared towards enriching lives of 11 lakhs of our fellow Indians in 311 villages across 9 states.