

Chemicals

Established in 1972, Grasim manages a strategically diversified Chemicals portfolio across three distinct segments: Caustic Soda, Chlorine Derivatives and Specialty Chemicals, reinforcing its premier position in India’s Chlor-Alkali and Specialty Chemicals markets.

₹8,648 crore
Revenue

15%
EBITDA growth YoY

27%
Revenue contribution from
Specialty Chemicals



“The Company is prioritising growth in high-potential Specialty Chemicals, especially Epoxy Resins and Curing Agents. It plans to boost Chlorine integration to 70% through investments and partnerships. In the core Caustic Soda segment, the focus remains on sustainability and efficiency, with targets of over 25% renewable energy usage, reduced water consumption, and enhanced cost competitiveness to drive long-term profitability.”

Jayant Dhobley
Business Head



Mayank Sharma
Chief Executive
Officer
Chlor-Alkali



Rajesh Balakrishnan
Chief Executive
Officer
Specialty Chemicals



Manoj Kedia
Chief Financial
Officer



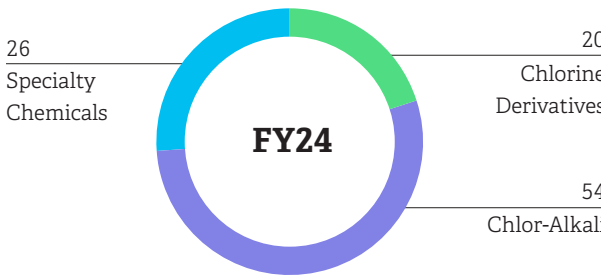
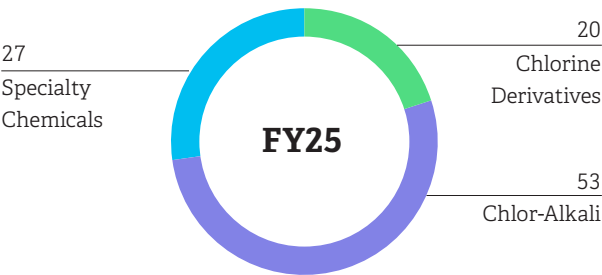
Shefali Kohli
Chief Human
Resources Officer

Business Overview


Grasim is India’s largest Chlor-Alkali manufacturer with a strong production base of 1,505 KTPA for caustic soda and 1,029 KTPA for chlorine derivatives. The business benefits from a diverse end-user base, enhancing demand stability. Grasim also holds a prominent position in high-margin Specialty Chemicals, particularly epoxy polymers and curing agents with a capacity of 246 KTPA. Epoxy polymers and curing agents are used across key industries such as automotive, construction, electronics and packaging, offering strong growth potential and broad market relevance.

Our Specialty Chemicals division holds the esteemed position of being one of the leading domestic producers. Moreover, our substantial production capacity in chlorine derivatives enables us to serve high-growth sectors such as Pharmaceuticals, Agrochemicals, Water Treatment, Food and Feed, Plastic Additives, and other industrial applications.


Revenue Mix (%)




Competitive Strengths




Pan-India presence, with nine plants across the country, providing strategic access to major industrial centres



Integrated chlorine value chain with established capacity in derivatives serving Chemicals high-growth markets



Cost leadership, enabling resilience across commodity cycles



Prominent player in specialty chemicals, with increasing relevance in construction, coating, renewables, and electronics sectors

Our Brands













Strategic Focus Areas



Growth in Specialty Chemicals (Epoxy)

Grasim is a prominent producer of specialty chemicals in India, particularly epoxy polymers and curing agents. With rising demand from high-growth sectors such as construction chemicals, coatings, renewables, and electronics, the Company has expanded its epoxy capacity. This expansion is backed by integrated Epichlorohydrin (ECH) production, enhancing both market position and cost competitiveness.



Chlorine Integration

We continue to evaluate additional downstream chlorine chemistries to further enhance chlorine integration. Phase I of the 100 KTPA Lubrizol CPVC resin project at Vilayat (50 KTPA) is progressing as planned. Epichlorohydrin (ECH) production remains on track for commencement in calendar year 2025. These strategic initiatives will increase overall chlorine integration, which is expected to reach 70% upon completion of the ongoing projects.

2 out of 3
Cars in India use Grasim's epoxy resins in their coating

~70%
Chlorine integration by 2027

Operating Context

Diverse Applications Driving Growth


Grasim is well-positioned in a resilient and growing market. Caustic soda demand in India remains stable across key sectors like textiles (17%), chemicals (24%), and alumina (15%) growing at 5.3% in FY 2024-25 to 4.36 million MT. India has become a net exporter of caustic soda, highlighting domestic capacity strength. Meanwhile, the epoxy polymers market is expected to grow at a 6.1% CAGR through 2030, supported by strong demand in construction, packaging, and electronics, reinforcing long-term growth potential in Specialty Chemicals.

Favourable Environmental and Economic Realisation

Caustic soda is gaining prominence for its eco-friendly applications in water treatment and wastewater neutralisation, aligning with global sustainability goals. In India, supportive government policies, infrastructure investments, and the push for local manufacturing are strengthening production capabilities and ensuring reliable supply to meet rising domestic demand, creating a favourable environment for long-term growth and investment stability.

Global Price Recovery Boosting Margins

Global prices for key products have rebounded by 30–40% following a period of correction, signalling a favourable shift in market conditions. This recovery is primarily driven by improved demand across Asia-Pacific and Europe. As a result, integrated producers are expected to benefit from stronger realisations and improved margin outlooks, supporting a more optimistic earnings trajectory in the near term.



Power Cost Reduction

We continue to prioritise energy efficiency and cost optimisation through a balanced energy mix. In FY 2024–25, renewable power accounted for 14% of our total energy consumption, with the remainder sourced from coal, natural gas, and grid electricity. As part of our transition strategy, we are actively working to scale up the share of renewables to over 25% in the medium term, aligning with our sustainability and cost efficiency goals.

>25%
Renewable energy share by 2027



Operating and Financial Performance

In FY 2024–25, the Chemicals business delivered a strong performance driven by higher caustic soda realisations, improved chlorine integration, and enhanced profitability in chlorine derivatives. Average international caustic soda prices (CFR–SEA) rose 15% YoY to US\$495/MT, supporting domestic pricing. Despite ECU pressure from weaker chlorine realisations, Chemicals EBITDA grew 15% YoY, underpinned by scale, integration, and cost efficiency. Specialty Chemicals also performed well, contributing 27% to the segment’s revenue, reinforcing our strategic focus on value-added products.

Caustic Volumes (KT)



Revenue (₹ crore)



EBITDA (₹ crore)



Outlook

Building on global momentum, India has emerged as a key player in the global chemicals landscape. As the sixth-largest chemical producer globally and third in Asia, India’s chemical sector contributes ~7% to the country’s GDP, valued at around US\$ 300 billion in 2025 and is expected to reach US\$ 1 trillion by 2040. Key drivers for the industry include increasing domestic demand, export opportunities under the China+1 strategy, and favourable policy frameworks. Initiatives like Make in India, production-linked incentives (PLI), and customs duty exemptions aim to enhance manufacturing competitiveness and attract investment.

Rising consumption across end-user sectors such as textiles, construction, and automotive is further fuelling demand, particularly in specialty chemicals. While the industry enjoys strong growth and policy support, challenges remain in terms of infrastructure, raw material volatility, and environmental compliance. Nonetheless, with innovation, sustainability, and export-oriented strategies at its core, India is on a trajectory to become a global manufacturing and R&D hub for chemicals, significantly influencing global supply chains in the decades to come. Caustic soda continues to be a vital input across a wide range of industrial and commercial applications, underscoring its enduring importance. Despite temporary headwinds from global macroeconomic challenges such as geopolitical tensions and elevated energy costs that have affected downstream chlorine-consuming sectors like PVC and agrochemicals, domestic demand has remained robust and stable. Grasim is confidently reinforcing its pan-India presence by driving operational excellence, accelerating renewable energy adoption, and ensuring consistent supply across key markets. Strong mega-trends in construction, coatings, wind composites, and electrical & electronics are set to fuel sustained growth in the epoxy resins segment. Proactively expanding capacity and broadening its product portfolio with polyamide hardeners and polyester resins, Grasim is well-positioned to deepen its reach into high-value, value-added applications, strengthening its competitive edge.