Consistent Governance Builds Trust

One instance is not enough to build trust. It needs years of consistent actions, transparent leadership and a commitment to doing what is right. This belief passed through many a challenging time and only emerged stronger in every instance.

In FY 2016-17, Grasim announced a major recast by merging with Aditya Birla Nuvo and the subsequent demerger and listing of its financial services business, Aditya Birla Financial Services, which was rechristened as Aditya Birla Capital.

The proposal invited considerable scrutiny, with investors and proxy advisory firms questioning its structure and implications for minority shareholders. Grasim leaned on independent valuations, fairness opinions, regulatory reviews and transparent communications. Not even a decade since the restructuring, Aditya Birla Capital stands at a market valuation of more than ₹1,00,000 crore, and Grasim sees its newer ventures like Birla Opus and Birla Pivot making big strides, while creating enduring value for shareholders.

The same governance discipline shaped a very different milestone in March 2024, when Grasim secured ₹1,250 crore from its first Sustainability-Linked NCD from the International Finance Corporation (IFC) to expand Birla Opus. Unlike conventional financing, the instrument tied capital directly to measurable commitments in renewable energy and water stewardship.

The Group's disciplined governance grew stronger with every success and kept building on its robust foundation of trust.

FOCUS AREA G1

Governance and Business Integrity

Inside this section → Sustainability Governance, Policy Advocacy, Cyber and Information Security

As a responsible enterprise, we have deployed sound governance practices that ensure ethical, transparent decision-making and strong regulatory compliance. Our proactive policy advocacy aligns our position with evolving regulations. We have built a cyber and data security framework which translates stakeholder confidence in us.

Key Milestones Achieved

Independent Chair of Risk Management and Sustainability Committee (RMSC)

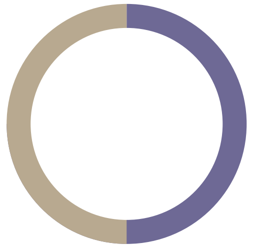
100%
Manufacturing sites covered under IMS Certification

Zero
Data breaches

Strategic Enablers

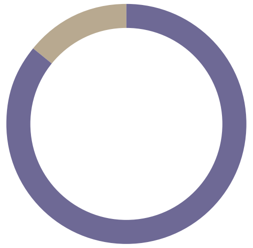
- ESG governance and oversight structures
- ESG integration across business functions
- Collaboration with industry associations and regulators

Performance Overview



RMSC independence (%)

Independent	50
Non-Independent	50



Board skill set (%)

ESG & Social Skills	86
Other Skills	14

Forward-looking Priorities

- Deepening sustainability linkages with capital allocation and risk oversight
- Enhancing policy framework and implementation
- Strengthening ESG related KPIs into performance evaluation and incentive structures