Drivers of Sustainable Value

Our strategic priorities are dynamic levers for long-term value creation. They serve as the framework for every decision we take, directing capital, shaping innovation, and guiding how we compete. In a fast-evolving landscape, they help us sharpen our focus, scale with discipline, and embed a mindset of continuous improvement across the organisation. These priorities are how we translate ambition into sustained, measurable advantage.

Leadership across Businesses

We hold leadership positions through deliberate choices in capability, capital, and commitment. This leadership has been built through consistent capacity expansion to meet growing demand, continuous innovation in products, and disciplined entry into new growth businesses. At the same time, we are strengthening the foundation of our businesses by modernising legacy assets, enhancing operational efficiency, and embedding sustainability into every aspect of our operations. Together, these actions are not standalone initiatives but part of an integrated strategy to future-proof Grasim, ensuring that our leadership remains relevant, competitive and resilient across cycles.

FY 2025-26 Progress
- Capacity expansion plan of additional 110K TPA announced which would position Grasim as one of the largest Lyocell producers, globally
- UltraTech's total grey cement capacity surpasses 200 MTPA (April 2026), becoming world's largest cement company, ex-China
- Birla Opus Paints Gallery revolutionised the consumer paint experience with the largest organised retail footprint in the industry of over 1,200 franchised stores across more than 700 towns

Innovation

We view innovation as a catalyst for premiumisation and differentiation. From specialty product development to advanced data analytics and process enhancements, innovation is embedded across the value chain. We continue to invest in expanding facilities, optimising operations and elevating customer experience.

FY 2025-26 Progress
- Birla Opus Paints launched 42 new products and 11-line extensions, taking the overall portfolio to 218 products spanning across 1,870+ SKUs
- Cellulosic Fibres business launched Liva Reviva™ M, India's first next-generation circular fibre made with up to 50% mechanically recycled post-consumer textile waste
- Aditya Birla Capital launched a suite of AI-powered features and innovations on its ABCD-D2C application

Capital Allocation

We deploy capital with discipline, balancing growth ambitions with financial prudence. Our approach prioritises efficient allocation, tight working capital management, and conservative debt levels, underpinned by strong internal accruals.

This financial rigour has earned us high credit ratings from leading agencies. Every expansion or new venture is grounded in rigorous market analysis and portfolio evaluation, ensuring that capital flows only where long-term value justifies the investment.

FY 2025-26 Progress
- Total capital expenditure stood at ₹15,396 crore with growth capex comprising 72%
- Maintained a strong balance sheet, with a net debt*/equity ratio of 0.22x and a net debt*/EBITDA of 1.43x
- Strategic capital commitment of ₹2,880 crore to financial services business, Aditya Birla Capital

*excluding borrowings related to financial services business

Sustainability

Our approach to sustainability is anchored in measurable impact and long-term responsibility. We are reducing our environmental footprint through cleaner manufacturing, eco-conscious product design, and disciplined resource management.

FY 2025-26 Progress
- Conducted a comprehensive Biodiversity Study across six manufacturing locations covering 12 units
- Conducted a comprehensive Double Materiality Assessment to identify and prioritise the ESG issues most significant to businesses and stakeholders
- Renewable capacity power share increased to 28% for Chemicals and 39% for Textiles

Cost Leadership

Sustained cost leadership is central to our strategy for margin expansion, market share gains, and long-term profitability. We continue to drive operating efficiency through disciplined cost management, reinforcing our ability to compete and grow across cycles.

FY 2025-26 Progress
- Captive consumption of Chlorine stood at 53%, improvement of 200bps
- Cement business improved operational efficiencies due to lower logistics, fuel and power costs
- Paints business, average distance travelled by product, reduced by ~30%