

Proxy Advisory Report (Addendum)

Grasim Industries Ltd - Call Money

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance Research and Advisory Firm. SES assists Investors to analyze Governance Practices including matters relating to sustainability, prevalent at Listed Entities and empower Investors to undertake meaningful engagement with Investee Entities.

SES SERVICES

E-BRSR Tool: Online web-based platform to create BRSR Report by the Company and generate XBRL in seamless, cost and time effective manner

Already subscribed by HUL, Maruti, TVS Motors, Kansai Nerolac, CDSL, Hero, L&T, Wipro, Bharat Forge, Reliance Group and many others. [Read More](#)

Contact for Demo – esgdata@sesgovernance.com

SES AIMS:

Designed primarily for Institutional Investors to carry out their stewardship activities in an efficient manner.

[Read More](#)

Proxy Advisory:

Advises Investors on the matters that require shareholder approval at Listed Entities and identify Governance Issues.

[Read More](#)

ESG Scores:

Analyze sustainability initiatives of Companies based on various environmental, social and governance factors.

[Read More](#)

Corporate Governance Score (CGS):

CGS model measures the Company's compliance and also evaluates the Governance Practices with respect To Global Benchmarks. [Read More](#)

E-Ballot:

A web-based, one-stop vote management system to cater to the requirements of Institutional Investors.

[Read More](#)

COMPANY INFORMATION

BSE CODE: NA

NSE SYMBOL: GRASIMPP1

ISIN: IN9047A01029

Industry: Cement & Cement Products

Email: grasim.secretarial@adityabirla.com

Phone: +91 7366-246766

Registered Office: P.O. Birlagram, Nagda - 456 331, Dist. Ujjain, Madhya Pradesh, India

MEETING DETAILS

Meeting Type: PB

Voting Deadline: 27th March, 2026

Notice Date: 10th February, 2026

Notice: [Click here](#)

Annual Report: [FY 2024-25](#)

SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [KFintech](#)

Cut-off Date: 20th February, 2026

Remote E-voting:

- **Start:** 26th February, 2026
- **Ends:** 27th March, 2026

ADDENDUM REPORT RELEASE DATE: 24th March, 2026

Research Analyst: Vishal Jain

Conflict Disclosure: SES - No Conflict | Analyst - No Conflict



ADDENDUM

There is no change in the SES Recommendations on any resolution. However, shareholders may take note of the Company's clarification and SES' comments thereon.

BACKGROUND

SES as per its policy, had emailed its PA Report ([weblink](#)) to the Company on 17th March, 2026 in respect of the ongoing PB of the Company.

Post release of PA Report, SES received an email from the Company on 18th March, 2026. The Company, through the email, provided its view point, which is reproduced at the last in *blue text*.

It may be noted that the email of the Company dated 18th March, 2026 (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES.

This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

Company's Views: (in Blue colour) & SES Reply: (in Black colour)

Resolution #1:

The recommendation by the Proxy Firm is made based on his directorship in Aditya Birla Housing Finance Limited since June 2018. Aditya Birla Housing Finance Limited is a subsidiary company of Aditya Birla Capital Limited ("ABCL") and ABCL is a material listed subsidiary of the Company. As a matter of fact, Regulation 24 of the SEBI Listing Regulations mandates that an Independent Director of the listed holding company should be appointed in the Board of unlisted material subsidiary company, whether incorporated in India or not. The principle behind this requirement is that there should be sufficient oversight into the business and governance of the unlisted material subsidiary company by the Board of the Listed Holding Company. Hence, we feel that the recommendation made by the Proxy Firm based on his directorship in Aditya Birla Housing Finance Limited goes against the spirit and intent of the law and lacks sufficient rationale.

SES Comment: SES, while analysing the appointment or re-appointment of Independent Directors, adopts a holistic approach by examining their relationship and association with the company as well as its group entities. While SES agrees with the regulatory requirement that mandates the appointment of an Independent Director on the board of an unlisted material subsidiary, whereas SES emphasizes that prolonged association with the company or its group particularly beyond 10 years may not be aligned with good governance practices, as it could potentially impair the independence of the director.

SES does not oppose the spirit or intent of the law; however, it raises concerns that extended tenure within the group may compromise objectivity. As per Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least one Independent Director on the board of a listed entity must also serve on the board of an unlisted material subsidiary. In the present case, the director was initially appointed to the board of Aditya Birla Capital Limited in 2018, which is a material listed subsidiary, and was subsequently appointed as an Independent Director on the board of the Company in 2021.

Without questioning the Board's decision or the integrity of the director, SES, as a matter of policy, reiterates its concerns regarding prolonged association with the group.

From a Policy standpoint, SES opines that a Director's independence may get affected if he /she is having a prolonged association with a particular Group; it may not be intentional, but a certain degree of influence may arise in such situations.

While independence is an individual trait, SES considers the association of a Director with the Group Companies as well, while determining the association of a Director with a Company.



Further, the above stance is based on SES' Policy, and on good governance practices, although compliant with law. **Accordingly, no change in SES' Recommendation is being contemplated. However, shareholders may take a note of the Company's response, SES's comments thereon and take an informed voting decision accordingly.**

Resolution #2:

The recommendation of the Proxy Firm is based on his overall association with the group companies. Mr. Adesh Kumar Gupta had stepped down from the Boards other Aditya Birla group Companies mostly in the year 2015, when Mr. Adesh Kumar Gupta ceased to hold Executive position in Grasim and his last association (other than Grasim) ended in August 2021. He is currently not in the Board of any other Aditya Birla Group Company except Grasim. Mr. Gupta had also served more than five years' cooling-off period (three years required under law) before his first term of appointment as an Independent Director.

SES Comment: The concern raised by SES in its report regarding the re-appointment of Mr. Adesh Kumar Gupta as an Independent Director is purely on governance basis and not a compliance concern.

SES had raised governance concern on the proposed re-appointment of Mr. Adesh Kumar Gupta as an Independent Director and classified him as Non-Independent Director due to his prolonged association of ~27 years with the Group and his past association as an Executive director in the Company.

Without questioning the merits and capabilities of Mr. Gupta, SES classifies any director as NID, who has been in the executive role in the group in past, unless 10 years' cooling-off period has been served and that 10 years are counted only if he/she is not associated in any form be it executive or non-executive.

SES understands and acknowledges the fact that Mr. Adesh Kumar Gupta has extensive experience in the finance and management filed as well as he has Industry Knowledge.

Nevertheless, in the view of SES, his association with the company at a KMP position precludes him from being eligible to be called as "independent". SES is no way questioning his merits and re-appointment on the board. The concern pertains with respect to classification as "Independent Director"

SES understands that Independence is an individual trait and can be a subjective matter, however, SES is of the opinion that such individuals, who have held executive position in past, may still wield significant influence of the Company without them realizing it and also may not always be objective in their judgment, given past experiences.

In view of the above there is **no change** in SES recommendation on the proposed resolutions.

However, shareholders may take note of the Company's response and SES recommendation thereon and take an informed decision.



COMPANY'S EMAIL

Dear Team

Thank you for sharing the report. Please find attached our responses to the SES report published on 17th March 2026 with respect to Grasim's postal ballot.

Kindly revert for additional clarifications.

Regards

Email Attachment: [Weblink](#)



Disclaimer Sources

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, Sustainability Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage with the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

While SES has made every effort, and has exercised due skill, care and diligence in compiling this report based on publicly available information, it neither guarantees its accuracy, completeness or usefulness, nor assumes any liability whatsoever for any consequence from its use. This report does not have any approval, express or implied, from any authority, nor is it required to have such approval. The users are strongly advised to exercise due diligence while using this report.

This report in no manner constitutes an offer, solicitation or advice to buy or sell securities, nor solicits votes or proxies on behalf of any party. SES, which is a not-for-profit initiative or its staff, has no financial interest in the companies covered in this report except for what is disclosed on its website. The report is released in India and SES has ensured that it is in accordance with Indian laws. Person resident outside India shall ensure that laws in their country are not violated while using this report; SES shall not be responsible for any such violation.

All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information



Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

CIN No. -

U74120MH2012NPL232154

This Report or any portion hereof may not be reprinted, sold, reproduced or redistributed without the written consent of Stakeholders Empowerment Services

Contact Information

Stakeholders Empowerment Services

109, Shyam Baba House,
Upper Govind Nagar,
Malad East,
Mumbai – 400097
Tel +91 22 4022 0322

research@sesgovernance.com

info@sesgovernance.com

www.sesgovernance.com.



Warning

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

