



Ref No. GIL/CFD/SEC/27/041/SE

8th June 2026

BSE Limited
Scrip Code: 500300

National Stock Exchange of India Limited
Symbol: GRASIM

Dear Sir/Madam,

Sub: Outcome of Board Meeting

Ref: 1. Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")
2. SEBI Master Circular No. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026 ("SEBI Circular")

This is to inform you that the Board of Directors, at its meeting held today, i.e. 8th June 2026, has approved capex of Rs. 3,094 Crore to expand Lyocell, third-generation Cellulosic Staple Fibre (CSF), capacity at Harihar, Karnataka.

The details, as required under SEBI Circular, are given in Annexure A.

Press release on the above is enclosed as Annexure B.

The meeting commenced at 4.30 p.m. (IST) and concluded at 5:32 p.m. (IST).

The above is for your information and record.

Thanking you,

Yours sincerely,

For Grasim Industries Limited

Neelabja Chakrabarty
Company Secretary and Compliance Officer
ACS – 16075

Encl: as above

Cc:

Luxembourg Stock Exchange

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Citibank N.A.

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390 Greenwich Street,
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Citibank N.A.

Custodial Services
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Regd. Office : Birlagram, Nagda – 456 331 (M.P.)



Annexure A

Disclosure of information pursuant to Listing Regulations and SEBI Circular is as follows:

Sr No	Particulars	Details
a.	Existing Capacity	890K TPA Cellulosic Staple Fibre (CSF)
b.	Existing Capacity utilization	97% (FY 2026)
c.	Proposed Capacity addition	<p>In Feb-2025, the Board of Directors had approved capacity expansion of Lyocell at Harihar, Karnataka of 55K TPA. The capacity is under construction.</p> <p>Today, the Board of Directors approved capex for Phase II capacity expansion of Lyocell at Harihar, Karnataka. The total proposed capacity expansion of Phase II would be 110K TPA.</p> <p>With this, the Lyocell capacity addition would be 165K TPA (Phase I and II at Harihar, combined).</p>
d.	Period within which the proposed capacity is to be added	<p>Phase II expansion of 110K TPA will consist of 2 lines of 55K TPA (150 Tons per day) each.</p> <p>Expected commissioning timeline: 55K TPA – mid-2028 55K TPA – mid-2030</p>
e.	Investment required	Rs 3,094 Crore (in tranches)
f.	Mode of financing	Mix of internal accrual and borrowed funds
g.	Rationale	Support and participate in growing global demand for sustainable and high-performance textile materials.



Grasim Industries Announces fresh investment of ₹3094 Crore to expand Lyocell Capacity

- Post expansion, Total Cellulosic Staple Fibre (CSF) capacity would Surpass 1 million Tonnes Annually by 2030

Mumbai 08-06-2026

Grasim Industries Limited, the flagship company of the Aditya Birla Group and a global leader in cellulosic fibres, today announced an investment of ₹3,094 crore, for Phase II Lyocell capacity of 110K TPA at Harihar, Karnataka. This expansion will consist of 2 lines of 55K TPA (150 Tons per day) each. The first line is expected to be commissioned by 2028, and the second line is expected to be commissioned by 2030.

This additional capacity will complement the Phase I Lyocell plant of 55K TPA currently under construction at Harihar, which is expected to be commissioned by mid-2027. Upon completion, Grasim's total Lyocell capacity, will reach nearly 210K TPA, making it one of the largest Lyocell producers globally.

Mr. Kumar Mangalam Birla, Chairman, Aditya Birla Group, said, *"The Aditya Birla Group has always demonstrated the willingness to invest ahead of the curve in sectors that will define India's future competitiveness and economic resilience. This investment carries forward that legacy. It is a vote of confidence in the scale and promise of the Indian market, aligns closely with the aspirations of Make in India, and will help position India as a more competitive and resilient force in the global textile industry."* He added, *"This investment also marks another significant step in Grasim's strategic expansion of advanced fibre capabilities, catering to the growing global demand for sustainable and high-performance textile materials. This fresh expansion will catapult Grasim's overall Cellulosic Fibres capacity beyond 1 million tonnes per annum, reinforcing its position as a global leader in sustainable Man-Made Cellulosic Fibres (MMCF)."*

Mr Vadiraj Kulkarni, Business Head, Grasim Pulp & Fibre added, *"This expansion strengthens our position in the evolving MMCF landscape by scaling a high-value, future-ready fibre segment. By expanding Lyocell capacity, we are accelerating the shift towards high performance fibres with a lower environmental impact. Lyocell enhances our product mix, supports premium applications, and aligns with our focus on delivering differentiated, sustainable solutions to global markets."*

Annexure B

Lyocell is a versatile, next-generation fibre widely used across apparel, home textiles, and technical textile applications. Manufactured through a highly efficient closed-loop process, Lyocell offers a compelling combination of durability, breathability, comfort, and lower environmental impact. The expansion would strengthen the Company's Specialty product portfolio and solidify its position as a key player in the global sustainable fibre industry. Grasim's Specialty portfolio share (including **Lyocell, Modal, Dope-dyed and Recycled fibres**) would increase to 35% by 2030.