Mafatlal
MAFATLAL INDUSTRIES LIMITED

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CIN : L17110GJ1913PLC000035 Website : www.mafatlals.com

July 10, 2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

BSE Code: 500264

Dear Sir,

Sub: 111th Annual Report together with the Notice of the Annual General Meeting (AGM) for the Financial Year 2024-2025.

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2024-2025 along with the Notice of 111th Annual General Meeting (AGM).

The 111th Annual General Meeting (AGM) of the Company will be held on **Monday, August 4, 2025, at 3.30 P.M. (IST)** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India.

The aforesaid Annual Report, AGM Notice and e-voting instructions are also being uploaded on the Company's website www.mafatlals.com.

This is for your information and record.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited
Amish Kumar Shah
Digitally signed by Amish Kumar Shah
Date: 2025.07.10 18:11:31 +05'30'
Amish Shah
Company Secretary
Encl.: as above

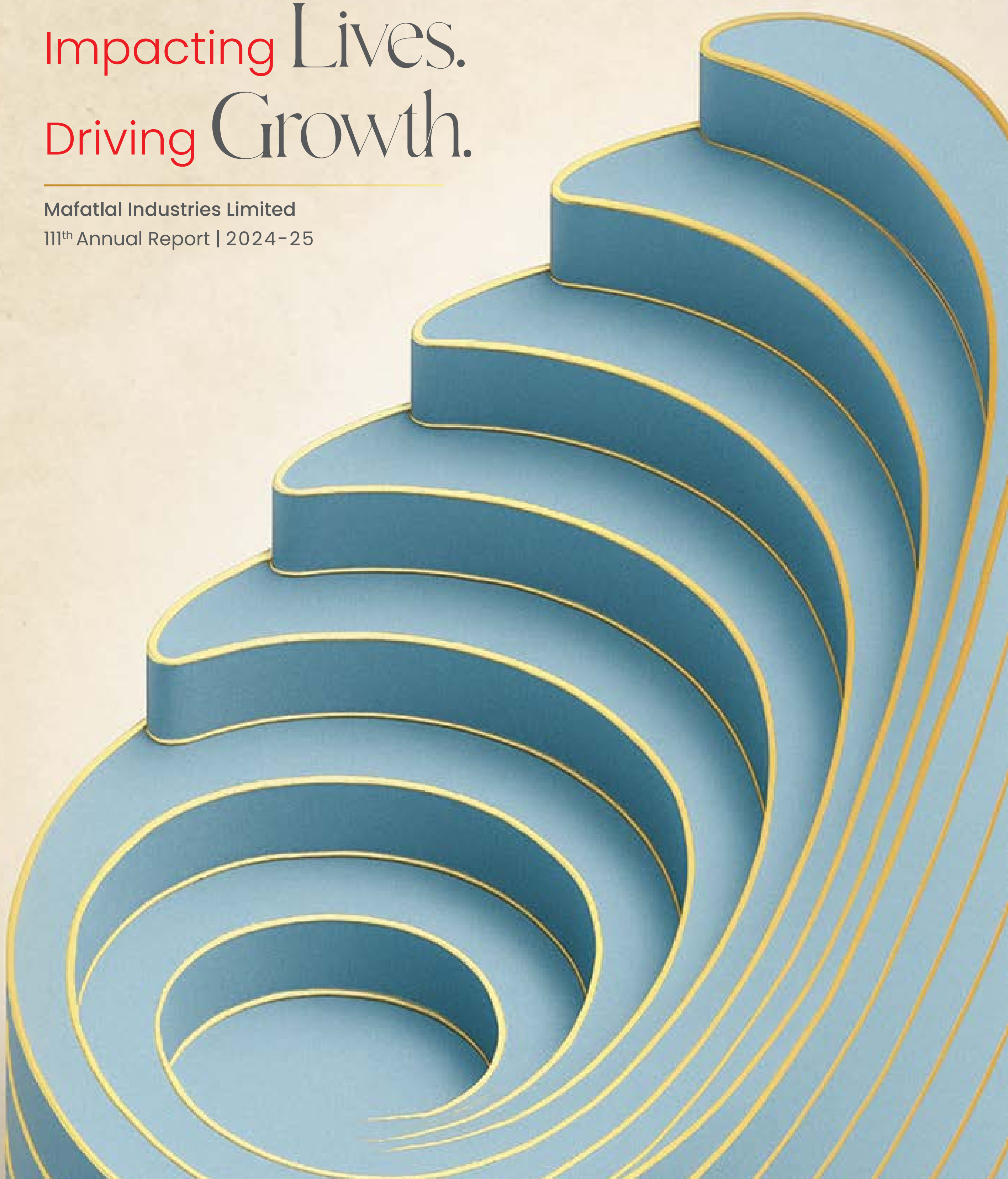
ARVIND MAFATLAL GROUP
The ethics of excellence

SINCE 1905
Mafatlal®

120 Years of Progress
Impacting Lives. Driving Growth.

Mafatlal Industries Limited

111th Annual Report | 2024-25



Across the Pages

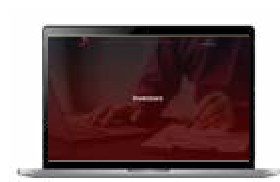
Corporate Overview

Statutory Reports

Financial Statements

For more investor-related information, please visit

https://www.mafatlals.com/investors/



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Disclaimer

This document contains statements about expected future events and financials of Mafatlal Industries Limited ('the Company'), which are 'forward-looking.' By their nature, 'forward-looking statements' require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other 'forward-looking statements' may not prove to be accurate. Readers are cautioned not to place undue reliance on 'forward-looking statements' as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the 'forward-looking statements.' Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

120 Years of Progress:

Impacting Lives. Driving Growth.

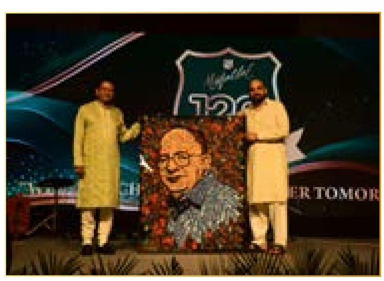
In today's world, growth is no longer defined by numbers alone. It is defined by the lasting impact a company has on the lives of people, the communities it serves, and the industries it transforms. True progress is not only about scale, but the positive ripple effect it creates, pushing boundaries while staying grounded in purpose.

Mafatlal Industries has long embodied this deeper understanding of growth. Since its humble beginnings in 1905, the Company has stood as a beacon of purpose-driven enterprise, anchored in integrity, guided by trust and built on relationships that endure. From powering India's textile revolution to expanding into chemicals, consumer durables, health & hygiene, petrochemicals, and digital infrastructure, the Company's journey has quietly echoed the nation's evolving aspirations, transforming alongside the people it serves.

While the product portfolio has evolved from traditional textiles and workwear to hygiene products, consumer durables, and tech-led educational solutions, the Company's DNA has remained unchanged. Businesses may transform, markets may shift, yet the Company's purpose and value systems have stood firm to serve meaningfully, grow responsibly and stay relevant through the changing tides of time.

Looking ahead, Mafatlal Industries remains committed to creating meaningful impact. Through its diverse portfolio, the Company has been instrumental in uplifting generations, supporting welfare initiatives, executing large-scale corporate mandates and improving everyday access to essential goods. For Mafatlal Industries, growth is not merely about expansion; it is about empowering lives, one product and one community at a time.

Now, with a clear focus on the future, the Company is ready to drive greater growth while deepening its positive impact across sectors, enriching lives and fostering a better tomorrow. This enduring commitment is powerfully captured in the theme, 'Impacting Lives. Driving Growth.'



About the Company

Progress Woven through Generations

Mafatlal Industries Limited (hereafter referred to as 'MIL' or 'the Company') is the textile arm of the Arvind Mafatlal Group, a diversified Indian business conglomerate. Founded in 1905 by Mr. Mafatlal Gagalbhai, the Company began as a pioneering force in India's early industrial age. Originally started as a traditional textile mill, MIL has evolved over 120 years into a product-agnostic enterprise known for consistency, quality, trust, and adaptability to the dynamic needs of modern markets.

MIL established its unique identity under the leadership of Mr. Arvind Mafatlal, who took charge in 1954. His strategic foresight steered the Company through decades of transformation, adapting to market shifts, embracing innovation, and venturing into new growth avenues.

From its historic roots in textiles to its presence in technical textiles, consumer products, and digital infrastructure, MIL stands as a symbol of enduring legacy and forward-looking enterprise. Today, MIL's diverse portfolio spans textiles, technical textiles, and non-textile segments.

In textiles, the Company offers a complete range of uniforms, fabrics, and traditional materials, tailored for a wide range of consumers. Its technical textiles division offers non-woven fabrics for medical applications, diapers and sanitary napkins, addressing essential health and hygiene needs.

Beyond its core textile business, MIL has strategically diversified into digital infrastructure, targeting the evolving needs of the education sector—an area where the Company already maintains a strong foothold. This move reflects MIL's broader vision to remain responsive to the changing dynamics of the modern economy. In parallel, the Company's entry into the consumer durables segment is guided by its commitment to enhancing the quality of life for the communities it serves, reinforcing its focus on sustainable and impactful growth.

Diverse Product Portfolio

- **Textiles**
  - Textiles
    - Uniforms
    - Fabrics
    - Traditional Textiles
  - Technical Textiles
    - Diapers
    - Sanitary Napkins
    - Non-Woven Fabric for Medical Use
- **Non-Textiles**
  - Consumer Durables
  - Digital Infrastructure

Commitment to Government Welfare Programs

MIL's diverse and purpose-led product range also supports government welfare programs across multiple Indian states. By supplying essential textiles, consumer durable products, and tech-enabled solutions, the Company is actively contributing to initiatives focused on education, empowerment, social welfare, and enhancing the dignity of life. This engagement reflects MIL's longstanding commitment to national development and its role as a trusted partner in public sector initiatives.

Strategic B2B and Institutional Partnerships

MIL has built a strong B2B presence, supplying high-quality corporate wear and uniform solutions to a wide range of industries and institutions. The Company collaborates with large public sector undertakings (PSUs), government departments and leading corporates, offering reliable, large-scale textile solutions tailored to their operational needs.

Metrics that Define Performance

₹ 2,845.3 Crores

Revenue

₹ 106.5 Crores

EBITDA*

₹ 98.1 Crores

PAT

21%

ROCE*

1,043

Number of Employees

*Excluding dividend income and investment of NOCIL and after exceptional item

EBITDA excludes exceptional item

Vision

(Aim for the Future)

As we look to the future, our commitment remains unwavering—to continue our legacy of innovation, adaptability, and customer-centricity. We believe in transitioning today to transforming tomorrow, and we are committed to embracing change while staying true to our core values. With a keen eye on emerging trends, and the dynamic needs of our customers, we strive to redefine success and be the best version of ourselves. These values have been our guiding light for over a century, and will continue to drive us forward as we navigate the ever-evolving landscape of business and technology.

Mission

Our Mission is to provide best-in-class products and services to our customers across the globe, from every walk and stage of life, for every occasion.

Solutions Loomed around Real Needs

At Mafatlal, business has never been just about manufacturing or distribution; it has been about improving how people live, work, and learn. The Company's reach across varied consumer groups, including schoolchildren, industrial workforces, rural households, and retail buyers, reflects a strong grasp of real, everyday needs.

MIL's products follow multiple channels to reach end-users leveraging a strategically designed distribution network. This includes institutional partnerships, corporate linkages, direct B2B engagements, and an extensive presence across retail touchpoints. This multi-channel approach ensures broad accessibility and reinforces the Company's commitment to serving diverse customer segments efficiently and effectively.

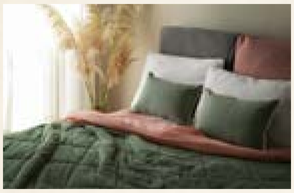
Consumer Class

Aspiring Retail Consumers

Schools & Students

Workmen

White & Blue Collar



Low-Income Consumers

Products & Services

White & Print-Woven Fabrics	Home Furnishings
Suiting, Shirting, Ladieswear, RTS	Personal Hygiene Products

Uniforms	Personal Hygiene Products

Ed-Tech | Infrastructure and Services

Corporate Uniforms	Workwear with Functional Finishes

School Uniforms	Clothing
Personal Hygiene Products	Consumer Durables

Setting Standards of Excellence

- ISO 14001:2015
- ISO 9001:2015
- ISO 45001:2018
- Global Organic Textile Standards (GOTS)
- Global Recycle Standards (GRS)
- OEKO-TEX 100 Certificate
- Laboratory Accreditation Certificate
- WOOLMARK Trademark by WOOLMARK Company
- SMETA by SEDEX
- BIS Certificate
- ZDHC
- CDSO (Healthcare Certification)
- CMMI Level 3 (Technology Division)
- HIGG – Sustainable Apparel Coalition

Transformation

Legacy Spun through Time

Rooted in a legacy that dates back to 1905, Mafatlal Industries has consistently exemplified trust, resilience, and the ability to evolve with the times.

From its origins as a single textile mill in Gujarat, the Company has expanded into a diversified and forward-looking organization serving diverse markets across India.

MIL's enduring relevance stems from a deep understanding of changing consumer needs and an unwavering commitment to quality, innovation, and purpose.

MIL's journey is more than a story of survival; it is a testament to the Company's ability to adapt to shifting market dynamics while remaining grounded in its core values. Over the decades, MIL has consistently navigated industrial, economic, and technological changes with foresight and integrity. Today, the Company is building for tomorrow with the confidence of a legacy shaped by time and tested by change.

Then

1905-1950

- Group established in the year 1905
- Established the first textile mill in Ahmedabad
- Focused on Gujarat's local markets
- Produced cotton-based fabrics for local consumption

Consolidation and Growth

1950-2024

- Expanded into new states
- Rose as a household textile brand
- Entered the uniforms and institutional segments
- Became a publicly listed company
- Shifted to an asset-light business strategy
- Ventured into technical textiles (health and hygiene)

Now

2025

- Attained 120 years of experience
- Outsourced operations under the asset-light business model
- The Company is publicly listed with a market capitalization of ₹ 871 Crores as of March 31, 2025
- Achieved pan-India revenue contribution
- Partnered strategically in multiple state-led government programs
- Diversified the business portfolio, including consumer durables and digital infrastructure
- Strengthened dealer and institutional networks across 25+ states

Heritage

Tradition Woven into Identity

For more than a century, MIL has been an integral part of India's industrial space. From powering the nation's first wave of industrialization to becoming a household name with iconic fabrics, the Company's journey is one of continual reinvention, grounded in purpose. Its heritage is not just a reflection of the past, but a living legacy that continues to guide its future.

A Timeless Glimpse into the Company's Vintage Past

Vintage Advertisements and Brand Evolution

Mafatlal has been more than a manufacturer; it has been a cultural presence. The Company's legacy of advertising captures changing consumer trends, lifestyles, and aspirations across generations. Whether through school uniforms or premium fashion fabrics, the Mafatlal name has long represented trust, quality, and deeply rooted Indian values. The brand voice has changed with time, yet the emotion it evokes endures.

Over the decades, the brand has transitioned from a utilitarian presence to a more aspirational and contemporary identity, reflecting its journey alongside India's social and economic transformations.

Employee Reflections

Employees have been the pillars of Mafatlal's growth story. Many have remained with the Company for decades, carrying stories that convey the essence of Mafatlal as a workplace built on pride, purpose, and people-centric culture. Their experiences reflect the values the Company has consistently upheld.

Employee Testimonials

Age Years of experience in the Company

Ms. Kavita Unarkat

General Manager - HR

40 | 11+

At Mafatlal Industries Limited, people are at the heart of everything we do. I have witnessed individuals transform into capable leaders, backed by a culture of trust, learning, and shared purpose. Our constant endeavor has been to cultivate a workplace where every team member feels empowered and inspired to reach their potential. It is an honor to contribute to an organization that champions business excellence while nurturing human capital as a cornerstone of sustainable growth.

Ms. Shubhada Chendvankar

Deputy Manager – Logistics

57 | 27+

Spending over 27 years with Mafatlal has been a deeply fulfilling journey – one that has felt like more than just a career. The organization has provided me with countless opportunities to learn, evolve, and grow. The trust and respect I've received from my colleagues and leaders have made a lasting impact. I am proud to be part of a company that values honesty, commitment, and teamwork, and I will always cherish the growth and meaningful experiences this journey has brought me.

Mr. Umesh Koradia

General Manager – Warehouse

52 | 30+

Serving this organization for over three decades in warehousing and logistics has been an enriching experience. The journey has taught me the value of discipline, accountability, and relentless focus on improvement. I've always prioritized efficiency and timely execution in alignment with the Company's expectations. Mafatlal Industries has been instrumental in shaping my professional values and growth, and I remain sincerely grateful for the enduring trust, support, and opportunities.

Ms. Tirtha Kadve

Assistant Manager – Taxation

24 | 2+

My journey with Mafatlal Industries over the past two years has been both inspiring and enriching. Working across taxation, litigation, and audit has given me a solid professional foundation. The organization's culture of discipline, learning, and encouragement has kept me motivated and focused. I am deeply thankful for the mentorship and opportunities that have enabled my early career growth. Being part of a company that values integrity and progress has been a transformative experience – one that I will carry with pride.

Message from the Managing Director

Wisdom Spun into Action

> We often talk about evolution in the context of strategy and business models. But for MIL, evolution has meant something far more profound.

Priyavrata H. Mafatlal

Managing Director

Dear Shareholders,

This year, Mafatlal Industries Limited completes 120 years, a distinction held by very few Indian institutions. For all of us at MIL, this is more than just an anniversary. It is a moment to pause, reflect, and honor a journey shaped not only by time, but by steady, meaningful contributions to India's social and economic fabric.

We often talk about evolution in the context of strategy, and business models. But for MIL, evolution has meant something far more profound. It has meant adapting without ever losing sight of our roots. It has meant changing product lines, realigning partnerships, entering emerging sectors, and responding to the needs of a new India, all while staying true to the values that have guided us since 1905.

Legacy Beyond Longevity

Our journey is not merely a sequence of business milestones. It is the story of an enterprise that clothed a nation through its arc of industrialization; a story of how it supported freedom movements through textile supply chains; of how it ventured into oil, gas, and chemicals during India's post-independence industrial push; and of how it later helped institutions strengthen their public service delivery through uniforms, furnishings, and hygiene essentials.

We have served the Army, the railways, public sector institutions, and countless classrooms and hospitals across the country. Our products have carried meaning beyond material. They have embodied dignity, discipline, and safety for generations. Whether in school uniforms or workwear, sterile fabrics or hygiene products, our work has rarely sought the spotlight. Yet it has always been indispensable.

Through every turn in history, three things have remained unchanged: Our intent; Our values; and Our DNA.

Looking Ahead, but Not without Looking Back

We often speak of looking forward through the windshield. But now and then, it is the glance at the rear-view mirror that adds perspective. Our legacy offers us both guidance and grounding. It reminds us that scale holds no value without purpose, and that progress is hollow if it does not reach those who need it most.

This year's theme, '**Impacting Lives. Driving Growth.**', expresses this duality. Because growth, for us, is never just a metric. It is a responsibility.

A Business Model that Mirrors the Company Purpose

MIL's business model is distinguished by its simplicity and effectiveness. We serve four primary consumer segments: schoolchildren, workmen and blue-collar professionals, low-income households, and aspiring retail consumers. Our offerings range from uniforms and hygiene kits to consumer durables and digital infrastructure.

However, we do not just produce. We reach our consumers through a network of public and private institutional partnerships and government collaborations. This model ensures we can deliver at scale, with consistent reach to the last mile.

It is also a model defined by product-agnostic strategies and asset-light execution. We consciously focus on our strengths, which include designing, curating, and managing fulfillment, while outsourcing manufacturing and logistics. This has allowed us to stay nimble, scale efficiently, and remain relevant across diverse product categories without the constraints of fixed infrastructure.

This is not just a supply chain. It is a chain of impact, connecting classrooms in Bihar, Anganwadi centers in Gujarat, factories in Tamil Nadu, and rural homes in Jharkhand, among others.

The Year in Review: A Tale of Execution, Focus and Renewal

2024-25 marked a year defined by execution. We channeled our energy into delivering results with steady focus, backed by a clear purpose and rigorous operational discipline.

We successfully fulfilled one of the largest institutional orders in our recent history. The sheer size of the order showcased our capability and reflected the trust placed in us by public institutions. Every phase, from procurement to packaging, was executed flawlessly, overcoming tight deadlines and intricate logistics challenges.

However, we did not stop there. Our ability to deliver scale with reliability has translated into deeper institutional trust, wider recall across state and public sector networks, and stronger credibility in adjacent sectors. While such large orders may not be a recurring feature, our ability to secure and execute them is now proven. That, in many ways, is a more valuable outcome.

Financially, total income stood at ₹ 2,845.3 Crores in 2024-25, up from ₹ 2,142.2 Crores in 2023-24, showing an increase of ~33%. This growth was broad-based, with strong traction across consumer durables, uniform solutions, and hygiene categories. EBITDA for the year witnessed a slight dip to ₹ 106.5 Crores, from ₹ 109.37 Crores the previous year. Profit after Tax stood steady to ₹ 98.1 Crores from ₹ 98.7 Crores in 2023-24.

₹ 98.1 Crores

Profit after Tax

₹ 106.5 Crores

EBITDA

₹ 2,845.3 Crores

Revenue

What Enabled This Progress

Resilience. Focus. And the discipline to play to our strengths.

Our solid foundation in education, public procurement, and essential commodities kept us insulated from volatility. Long-standing institutional relationships provided us with both visibility and stability. Above all, our people, many of whom have dedicated decades to the Company, are the ones who carry our legacy forward with care, commitment, and pride.

This year, we made subtle yet impactful moves.

We established Pieflowtech Solutions Private Limited, a 60%-owned subsidiary focused on developing the digital solutions and tech platforms to support our digital infrastructure segment. Pieflowtech develops ERP systems, AI-driven applications, and cloud-based tools tailored to enterprise operations. As MIL's business continues to engage with institutional ecosystems and scaled operations, this investment positions us to better understand and respond to the evolving role of technology in enterprise workflows.

This initiative is aimed at relevance—not only for current needs but also for emerging expectations.

A Growing Opportunity and the Responsibility It Brings

The addressable market for companies like ours is expanding, driven by increased government investment in education,

sanitation, and rural welfare. Initiatives like Samagra Shiksha Abhiyan, PM Schools for Rising India, Pradhan Mantri Uchchatar Shiksha Abhiyan, Rashtriya Gram Swaraj Abhiyan, Menstrual Hygiene Initiatives and the renewed emphasis on the use of technology across sectors have opened up new opportunities for growth.

We view these opportunities not merely as market potential; we see them as trust placed in us to deliver with integrity. As we scale, we are equally mindful of doing so responsibly. To this end, we ensure our growth is inclusive, ethical, and mindful of the communities and ecosystems we serve.

The Spirit of Giving Back

For us, giving back has always come naturally, not from obligation. Our CSR efforts, community partnerships, and participation in public initiatives stem from this mindset. We are part of a group whose legacy includes building institutions, supporting social reform, and enabling access to possibilities. That same spirit continues to guide our actions.

During the year 2024-25, MIL worked closely with N M Sadguru Water and Development Foundation (NMSWDF) and Shri Chaitanya Health and Care Trust (SCHCT) to improve the livelihoods of rural and tribal people and enhance the healthcare system for rural communities.

Looking Ahead

As we step into the next chapter, our priorities are clear. We aim to:

- Deepen our presence in sectors that matter the most, including education, health, consumer durables, and hygiene
- Expand our portfolio in ways that are meaningful, not merely profitable
- Use technology to strengthen last-mile delivery, not just digitize it
- Nurture talent that carries forward our legacy with renewed energy

For us, exploring new categories, geographies, and delivery models will always remain a priority. But we will view them through the lens of our core belief that relevance holds more power than recognition.

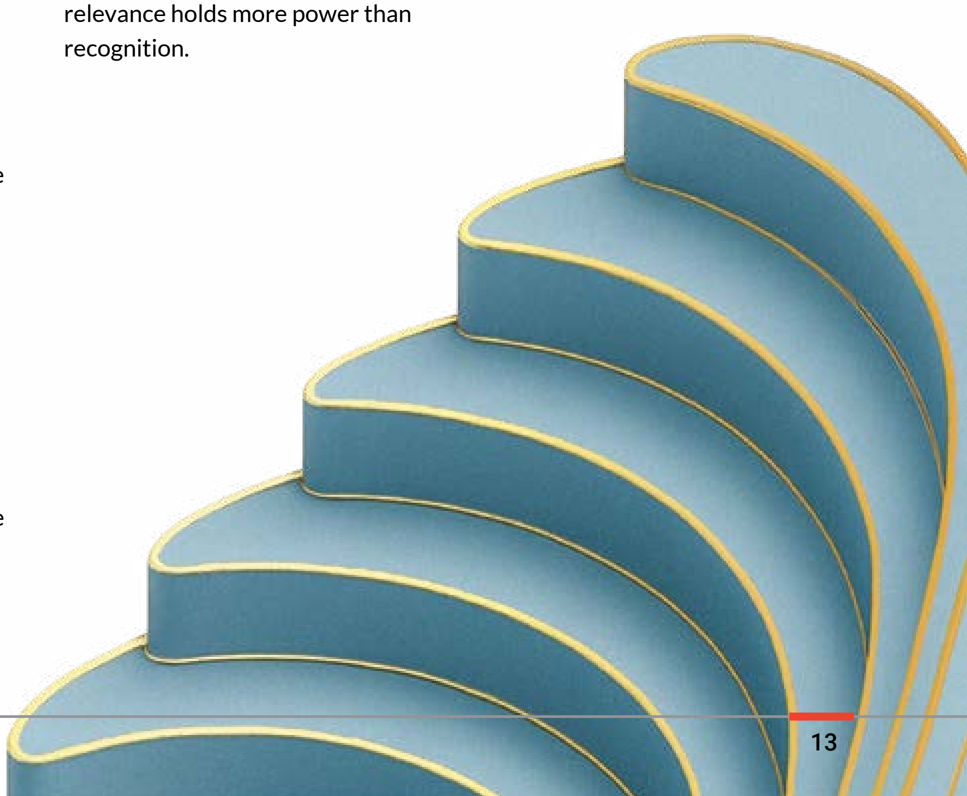
A Note of Gratitude

I extend my heartfelt gratitude to MIL's customers, government partners, suppliers, employees, and shareholders for being with us at every step. To those who have been a part of this journey for decades and to those who have recently come aboard – thank you for placing your belief not just in what we do, but in how we choose to do it.

We may not always make headlines; but we are certain of the impact we make. This legacy is not merely a cause for celebration; it is a responsibility we must uphold with humility, determination, and a deep sense of purpose. As we step into the next 120 years, this purpose will continue to guide our path ahead.

Warm Regards,

Priyavrata H. Mafatlal
Managing Director



Product Portfolio

Diversity Woven with Intent

Over the years, Mafatlal has consciously evolved from being a product–led business to a purpose-driven platform. It has emerged as an entity that is agile, asset–light, and deeply attuned to the real needs of its consumers and institutions.

This product–agnostic approach allows MIL to enter new categories with both relevance and demand. From uniforms to hygiene kits, technology-led educational solutions to consumer durables, every offering contributes to a larger canvas of meaningful impact.

At the core of this evolution lies a deliberate strategy of staying nimble, outsourcing what is non-core, and building capabilities in product design, curation, institutional fulfillment, and last-mile delivery, where they matter most.

The result is a portfolio that balances breadth with clarity. It is diversified across segments like education, healthcare, and infrastructure, while remaining focused on sectors that offer long-term stability, public funding support, and the opportunity to deliver meaningful value at scale.

As India's social and developmental priorities continue to expand, MIL's product-agnostic model ensures it can respond with speed, relevance, and executional excellence across different categories and channels.

Textiles

Uniforms

MIL stands as a leader in the uniform sector, offering a comprehensive range of fabrics and ready-made uniforms designed for schools, institutions, and corporate entities. The Company's expertise in outsourcing, branding, and distribution has established it as a trusted partner for public sector spending-led schemes.

Fabrics

The woven white fabric sector, encompassing whites and Rubia, primarily caters to the semi-urban and rural areas. The polyester-cotton segment specifically targets demands of the rural regions, as well as the Tier II and III populations, providing essential textiles for these communities. Furthermore, the Company exports voile fabrics to the Middle Eastern market, broadening its reach and strengthening its presence in global markets.

Technical Textiles: Health and Hygiene Products

MIL's technical textiles portfolio features a variety of health and hygiene products like sanitary napkins, baby diapers, and adult diapers, designed to meet the diverse needs of consumers across various age groups. Operating under a unified brand umbrella, the Company focuses on providing affordable and high-quality hygiene solutions. These efforts aim to improve hygiene practices, reduce hygiene-related illnesses, and promote overall well-being, ultimately enhancing the quality of life for consumers.

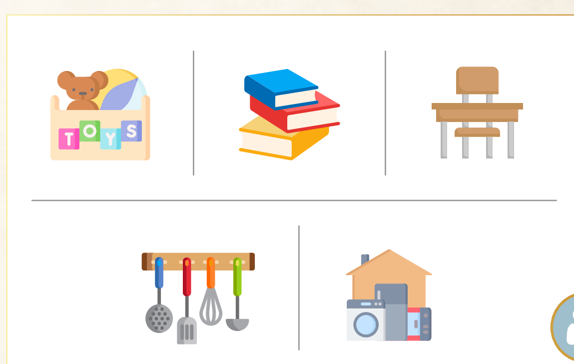
Non-Textiles

Digital Infrastructure

MIL has steadily expanded its presence in the digital infrastructure domain, offering products and services such as digital classrooms and hardware solutions. The Company also actively participates in public spending-led aligning with the government's vision of reforming education through the integration of digital tools and platforms to enhance learning experiences. MIL's clientele includes the Education Departments of Tripura, Maharashtra, and Odisha.

Consumer Durables

With decades of experience, MIL has made its way into the consumer durables sector. This strategic move focuses on identifying complementary opportunities for customer-driven growth, aligning seamlessly with the Company's broader business objectives. The product range includes items such as kits and toys, utensils, and furniture, all of which play a significant role in various welfare initiatives.

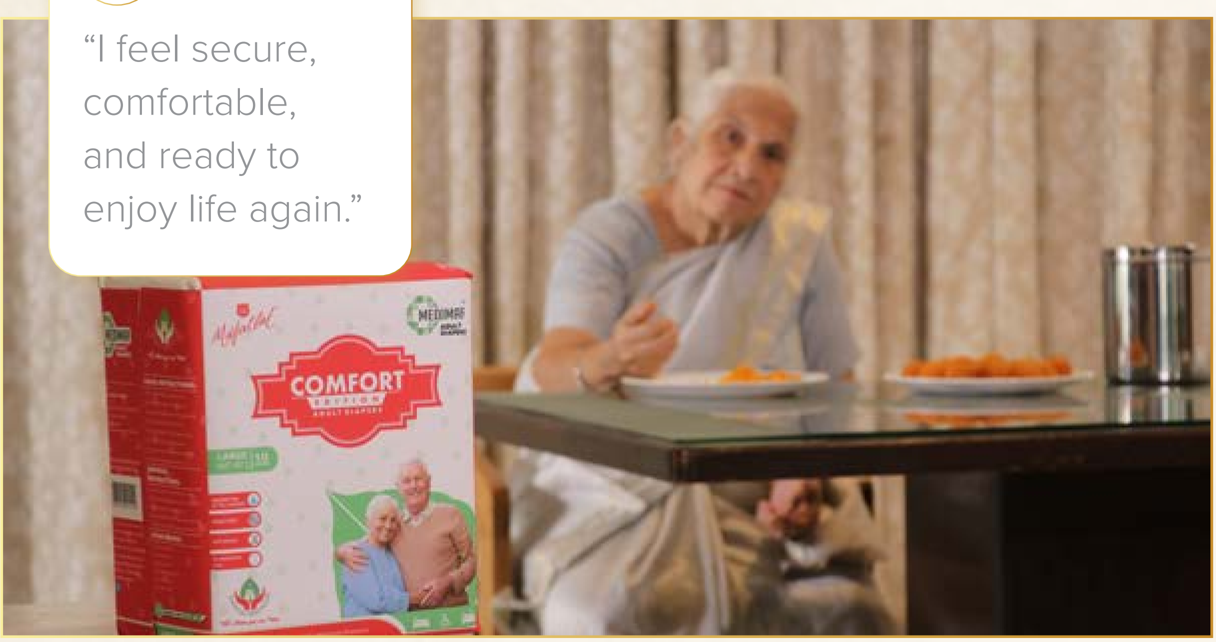


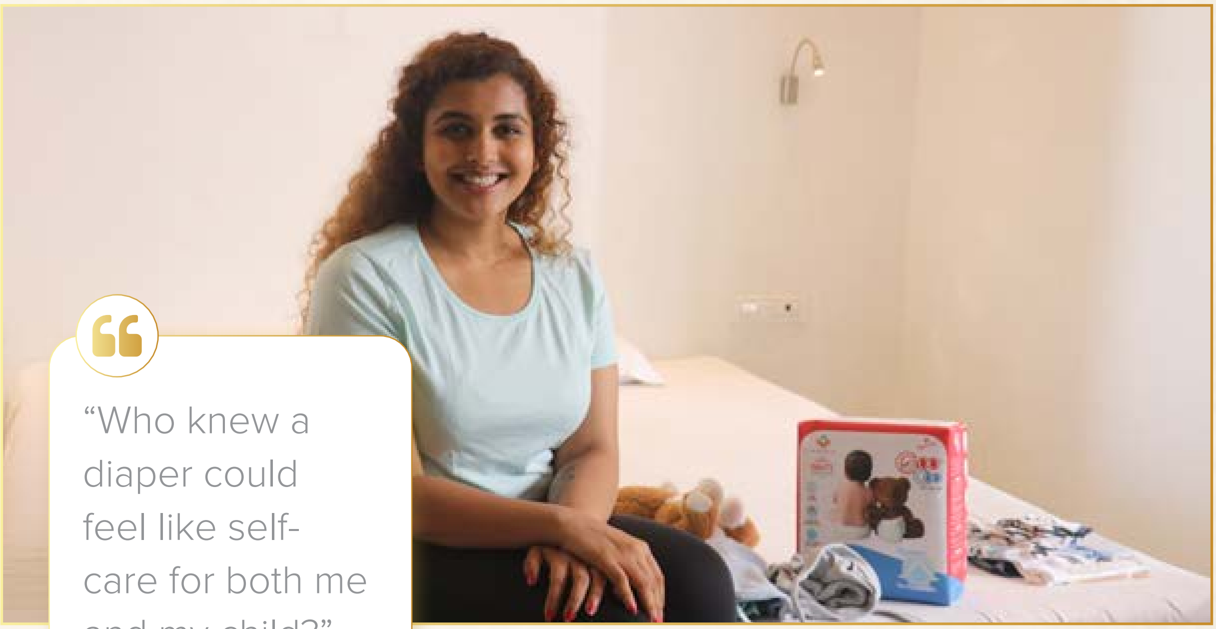
Impact Stories

Impacting Lives with Every Step Forward

"From the first greeting to the final landing, we stay sharp and comfortable."

"I feel secure, comfortable, and ready to enjoy life again."





"Who knew a diaper could feel like self-care for both me and my child?"

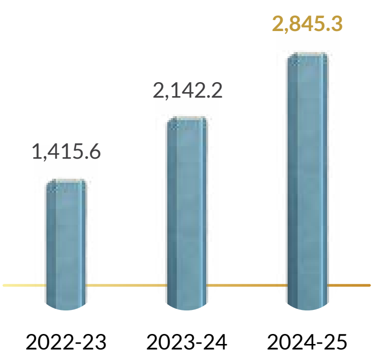
"With technology in education, I'm not just teaching the future; I'm letting my students build it themselves."

Financial Highlights

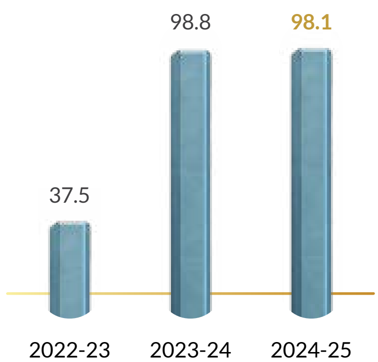
Value Threaded through Discipline

2024-25 reaffirmed MIL's belief that strong financial outcomes are achieved through clarity, control and conviction. Growth this year stemmed from a focused execution strategy, driven by an asset-light model, calibrated expansion, and proactive responsiveness to demand from public institutions.

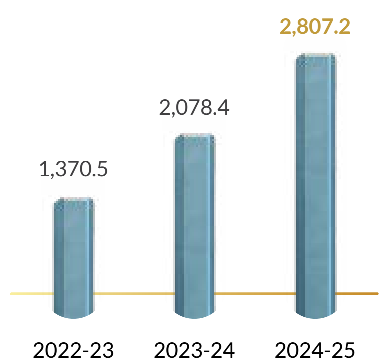
Total Income
(in ₹ Crores)



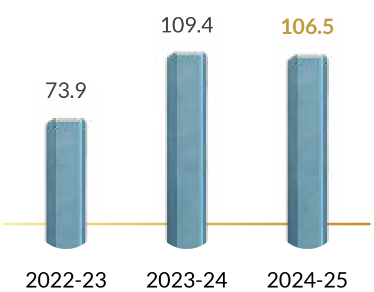
PAT
(in ₹ Crores)



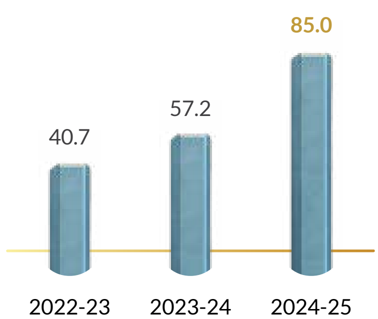
Revenue from Operations
(in ₹ Crores)



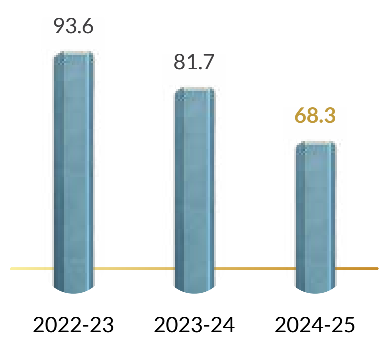
EBITDA#
(in ₹ Crores)

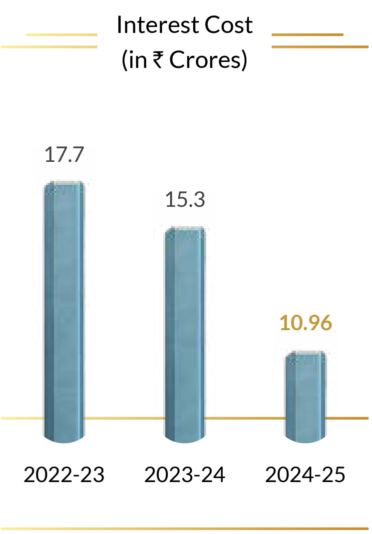


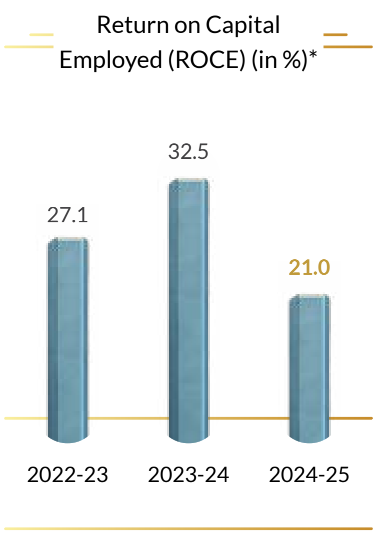
Operating EBITDA
(in ₹ Crores)



Total Debt
(in ₹ Crores)







* Excluding dividend income and investment of NOCIL, and after exceptional item
# EBITDA excludes exceptional item

Segmental Revenue Breakup

Segment	Revenue from Operations (in ₹ Crores)		EBIT from Segment (in ₹ Crores)	
	2023-24	2024-25	2023-24	2024-25
Textile and Related Products	1,556.1	1,217.4	45.8	58.3
Digital Infrastructure	130.1	92.9	12.9	16.4
Consumer Durables and Others	392.2	1,496.9	5.2	22.6
Total	2,078.4	2,807.2	63.9	97.3

Dealers and Distribution Strength

Networks Sewn across the Nation

MIL continues to expand and fortify its dealer network across India, ensuring its products reach diverse markets efficiently and effectively. With a strong presence in over 25 states, the Company's dealer network is a critical pillar of its success, strategically positioned to meet both urban and rural demands. Through close collaboration with its dealers, MIL drives mutual growth, enhances brand loyalty, and reinforces last-mile connectivity in its markets.

25 States
Dealer Network Spread

1,000+
Dealers Network for Uniforms and Fabrics

Pan-India Presence
Dealers Network for Textile and Non-Textile Products

Enabling Growth through Dealer Partnerships

The following initiatives highlight the Company's commitment to nurturing and maintaining its valuable partnerships:

Dealer Meetings

Building support with the key dealers for successful product establishment.

Award Programs

Recognizing and appreciating outstanding dealer performance, encouraging healthy competition and inspiring excellence.

Competitive Margins

Offering best-in-class margins to dealers, ensuring sustained profitability and long-term sustainability.


LACP
2023/24 VISION AWARDS
ANNUAL REPORT COMPETITION
MAFATLAL INDUSTRIES LIMITED
SGA ADSVITA COMMUNIQUE
is presented with the
Gold Award
for excellence within its industry on the development of the organization's annual report for the past fiscal year.
Tyson Heyn
Principal
Christine Kennedy
Competition Director


LACP
2023/24 VISION AWARDS
ANNUAL REPORT COMPETITION
MAFATLAL INDUSTRIES LIMITED
SGA ADSVITA COMMUNIQUE
is recognized for developing one of the
Top 100 Reports Worldwide
ranking at #71 among all reports reviewed for the past fiscal year.
Tyson Heyn
Principal
Christine Kennedy
Competition Director


LACP
2023/24 VISION AWARDS
ANNUAL REPORT COMPETITION
MAFATLAL INDUSTRIES LIMITED
SGA ADSVITA COMMUNIQUE
is presented with the
Technical Achievement Award
for overall excellence in the art and method of annual report communications for the past fiscal year.
Tyson Heyn
Principal
Christine Kennedy
Competition Director


Automat
Textile


CIBIL


CLIENTS' MEET - 2024
BUREAU VERITAS HISTORY - SOUTH ASIA

Events

Strategic Brand Visibility through Industry Platforms

In 2024-25, Mafatlal Industries Limited continued to elevate its market presence and brand visibility through meaningful participation in prestigious national exhibitions and industry gatherings. These platforms not only reinforced Mafatlal's reputation as a future-ready and product-agnostic enterprise, but also deepened customer engagement across new and existing sectors.

AAHAR 2025: Strengthening Presence in Hospitality

Mafatlal marked its continued commitment to the hospitality sector by participating in AAHAR 2025, held from March 4 to March 8, 2025 at Bharat Mandapam, New Delhi. Organized by the India Trade Promotion Organization (ITPO), this is one of Asia's most prominent B2B events for the food and hospitality industry. Building on the momentum from last year, Mafatlal showcased its latest collection of premium hospitality uniforms, combining innovation, comfort and aesthetic appeal tailored to the sector's evolving needs. The participation strengthened the Company's position as a preferred partner in the hospitality apparel segment.

Bharat Tex Expo 2025: Celebrating India's Textile Strength

Mafatlal took the center stage at Bharat Tex Expo 2025, India's largest global textile event celebrating innovation, heritage and sustainability. The expo brought together stakeholders from across the textile value chain, offering Mafatlal a rich platform to exhibit its versatile textile portfolio, including uniforms, technical textiles and sustainable fabric solutions.

Uniform Garment Manufacturers' Fair: Collaboration with Solapur Association

From December 18 to December 20, 2024 Mafatlal participated in the Uniform Garment Manufacturers' Fair in Bengaluru, held in association with the Solapur Manufacturers' Association. This platform brought together uniform suppliers, buyers, and institutions to explore new partnerships. Mafatlal leveraged this opportunity to highlight its extensive uniform range for schools, corporates, and institutions.

AFS Intercultural School Showcase: Kolhapur Outreach

In a unique outreach initiative, Mafatlal participated in an event hosted by Sanjay Ghodawat International School, Kolhapur, from November 15 to November 17, 2024, as part of the AFS India Member Schools network. The platform allowed the Company to engage directly with education stakeholders and highlight its school uniform solutions designed for functionality, comfort and adaptability.

Environmental, Social, and Governance

Conscience Woven into Every Layer

MIL stands firm in its dedication to ESG excellence. The Company drives meaningful environmental action through effluent treatment systems, a commitment clearly demonstrated by its ISO 14001 certification.

Its workforce policies promote inclusivity and long-term employee retention. Complementing these efforts, Mafatlal upholds strong governance with complete transparency and zero reported violations. Together, these measures embody Mafatlal's aspiration to weave sustainability, responsibility, and integrity into every facet of its operations.

Environmental Stewardship Grounded in Action

Environmental protection at MIL is not a symbolic gesture but a result of structured, compliant and measurable practices:

- An Effluent Treatment Plant (ETP) has been installed at the Nadiad Unit, with detailed documentation on stage-wise pollutant reduction
- A Waste Management Policy has been implemented that covers hazardous and non-hazardous waste, ensuring regulatory compliance
- E-waste is handled through a government-authorized recycler, M/s Green Earth Management Co
- An ISO 14001 certification has been obtained and validated for the Environmental Management System (EMS)
- Captive power is generated from boilers, with all necessary regulatory licenses in place
- The Company participates in the PAT Scheme (BEE) as a Designated Consumer, aligned with the Government's energy efficiency program

Social Responsibility Reflected in Workforce Practices

Social equity at the Company is driven by long-standing workforce practices that promote inclusion, safety and growth:

- Health and accident insurance has been provided to 100% of permanent and non-permanent workers
- An average employee tenure of 19.42 years reflects strong retention and a stable workforce
- 12 differently-abled individuals have been employed and are supported with accessible workplace infrastructure
- Skill development programs are conducted regularly, with a focus on internal promotions

Governance Practices Built on Transparency and Trust

Governance at Mafatlal reflects discipline, accountability and an uncompromising commitment to regulatory compliance:

- Transparency is maintained in Board disclosures, with details on members, their responsibilities and compensation published in the Annual Report
- Zero complaints have been reported regarding data privacy or anti-competitive conduct, supported by sound IT and legal systems

Board of Directors

Insights Spun into Strategy

At MIL, leadership is defined by stewardship, not merely oversight. The Board of Directors consists of distinguished individuals with diverse expertise across industries, policies and finances. They are united by a shared commitment to purpose-driven growth.

The Board's collective experience offers more than just strategic guidance. It brings perspective, balance, and accountability to every step. As advocates of the Company's values and vision, the Board continues to play a crucial role in shaping long-term priorities, strengthening governance and enabling MIL to navigate complexity with clarity and conviction.

Years Experience

Mr. Hrishikesh A. Mafatlal

Promoter & Chairman

48+

Mr. Hrishikesh A. Mafatlal is the Chairman and Promoter Director of the Company. Mr. Mafatlal earned an honors degree in Commerce from Mumbai's Sydenham College in 1975. He has studied Advance Management Program (AMP) at Harvard Business School (USA), in 1993.

For 12 years, he served on the Board of Governors of IIM Ahmedabad and was the Vice-Chairman of the Cotton Textiles Export Promotion Council (TEXPROCIL). Currently, he is also the Chairman and Promoter Director of NOCIL Limited.

Mr. Priyavrata H. Mafatlal

Managing Director

17+

Mr. Priyavrata H. Mafatlal is the Managing Director of the Company. He is the son of Mr. Hrishikesh A. Mafatlal, the Company's Chairman. He has graduated with a degree in Marketing and is also an alumnus of Harvard Business School, (USA). He has more than 17 years of rich experience in manufacturing, marketing, IT, and general management. He is currently a Director on the Board of NOCIL Limited.

Mr. Sujal A. Shah

Independent Director

(Till May 29, 2025)

34+

Mr. Shah has over 34 years of experience in valuation, due diligence, corporate restructuring, audit, and advisory. He is a commerce graduate and a member of the Institute of Chartered Accountants of India. He is on the Board of multiple prominent Indian companies.

Mr. Gautam G. Chakravarti

Independent Director

(Till May 29, 2025)

49+

Mr. Chakravarti has experience of over 49 years in the fields of procurement, internal audit, and mergers and acquisitions. He has expertise as a business controller and has led an exports SBU. He has a Master's degree in Economics and an MBA from IIM Ahmedabad. He has completed Executive Development Programs at Wharton Business School, (USA) and MIT, (USA). He has been associated with well-known Indian corporate houses such as Mahindra & Mahindra, Reliance Communications, Bilcare Limited, Hindustan Unilever Limited, and Blackstone Capital Partners.

Mr. Atul K. Srivastava

Independent Director

48+

Mr. Srivastava has an experience of over 48 years in large corporates, in the areas of finance, accounting, taxation, and commerce. He is a Science Graduate and a Fellow Chartered Accountant—B.Sc (Hons), FCA.

Mr. Abhay R. Jadeja

Independent Director

20+

Mr. Jadeja has over 20 years of experience in the fields of complex commercial civil litigations, family and succession disputes, estate, trust and succession planning, white collar crimes, foreign exchange regulation matters, securities laws, insolvency, pharmaceutical, and pricing related matters. He has an LLB degree and memberships in the Bar Council of Maharashtra & Goa, Bombay Bar Association, and Supreme Court Bar Association.

Mr. Ashutosh S. Bishnoi

Independent Director

41+

Mr. Bishnoi has experience of over 41 years in the fields of financial services and consumer marketing. He has an MBA degree from Symbiosis Institute of Business Management, Pune. He was also part of the Mahindra Universe Program at the Harvard Business School, (Boston) (USA). At present, Mr. Bishnoi has been associated with well-known Indian corporate houses such as Mahindra, L&T Finance, UTI Mutual Fund, DSP Merrill Lynch, and JM Mutual Fund.

Mr. Pradip N. Kapadia

Independent Director

(Till August 4, 2024)

51+

Mr. Kapadia is a senior partner in Vigil Juris - Advocates & Solicitors, Mumbai, and has an experience of over 51 years in the legal field. An advocate and solicitor, he is on the Board of various other companies. He has a BA, LLB degree.

Mr. Vilas R. Gupte

Independent Director

(Till August 4, 2024)

57+

Mr. Gupte is a Chartered Accountant with over 57 years of multifaceted corporate experience, spanning finance, legal, and commercial areas. He has hands-on experience in mergers and acquisitions, and financial restructuring. Presently Mr. Gupte is a Business Solutions Consultant and is also on the Board of NOCIL Limited.

Mrs. Latika P. Pradhan

Independent Director

(Till April 16, 2025)

44+

Mrs. Pradhan has experience of over 44 years in various industries, heading finance, legal and secretarial, internal audit, and information technology functions. She is a qualified Chartered Accountant, Cost and Management Accountant, Company Secretary, and has a Bachelor's degree in Law. In the past, she has been associated with Voltas Limited, Blue Star Limited, Cummins Group, Parke Davis India Limited, and Pidilite Industries Limited in various capacities.

Mr. Jyotin K. Mehta

Independent Director

(Appointed on October 26, 2024)

40+

Mr. Mehta has over 40 years of experience in the areas of corporate finance, Governance, Risk Management and Compliance (GRC). A Chartered Accountant with an All India Rank 3, he is also a qualified Company Secretary and Management Accountant and a Gold Medallist from the University of Mumbai.

Throughout his illustrious career, he has held significant leadership roles in prominent organizations such as Voltas, ICICI Group, and Shell Group of Companies. His expertise spans corporate finance, internal audit, corporate governance, company law, legal and regulatory compliance, and customer service.

Mr. Desh Deepak Khetrapal

Independent Director

(Appointed on February 4, 2025)

50+

Mr. Khetrapal is a seasoned leader with over 50 years of diverse industry experience, including 30+ years in CEO and Managing Director roles across listed companies. He holds a business degree from Shri Ram College of Commerce (SRCC) and an MBA from the Faculty of Management Studies (FMS), Delhi University.

He has held prominent leadership positions, having served as Managing Director and CEO of Orient Cement Limited and as a Director at BirlaNU Limited (formerly HIL Limited). He has also been on the Boards of Oriental Bank of Commerce, Raymond Limited, and Steelage Industries Limited. Renowned for his strategic vision and operational leadership, Mr. Khetrapal brings deep experience in steering organizations through growth and transformation in competitive markets.

Dr. Archana N. Hingorani

Independent Director

(Appointed on February 4, 2025)

30+

Dr. Hingorani has over 30 years of experience as a financial services professional. Her expertise spans private equity, fund investment, and asset management. She is currently the Managing Partner at Siana Capital, an investment firm focused on technology and innovation, and serves as a Visiting faculty of private equity at the Katz Graduate School of Business, University of Pittsburgh, (USA). She has been recognized among the ‘Most Powerful Women’ by Fortune India (2014–2017) and as one of the ‘25 Most Influential Women in Asia Asset Management’ by Asian Investor in 2014.

She holds a Bachelor’s degree in Arts from the University of Mumbai, an MBA, and a Ph.D. in Philosophy from the University of Pittsburgh. She currently serves as an Independent Director on the boards of several prominent companies, including Grindwell Norton, Ema Partners, 5Paisa Capital, The Phoenix Mills, Alembic Pharmaceuticals, and Balaji Telefilms.

Summarized Financial Data Table

Financial Threads that Showcase Endurance

Particulars (All figures in ₹ Crores unless mentioned)	2015 – 16	2016 – 17	2017 – 18
PROFIT & LOSS ACCOUNT			
Total income	1,344.66	1,280.68	1,200.50
Profit before depreciation, interest, exceptional items and tax	61.19	55.04	25.24
Exceptional items	–	(8.70)	–
Finance costs	(21.16)	(26.20)	(31.09)
Depreciation, amortization and impairment	(21.19)	(27.06)	(36.11)
Profit before tax	18.84	(6.92)	(41.95)
Profit after tax	17.12	(2.15)	(41.78)
Dividend (₹ per Share)#	3	3	–
Basic earning per share (EPS) of ₹ 2/– each	2.46	(0.31)	(6.01)
BALANCE SHEET			
Net fixed assets	222.56	297.17	301.94
Investments	47.94	62.21	501.88
Other assets (net) *	331.30	259.96	228.18
Total application of funds	**601.80**	**619.34**	**1,032.00**
Borrowings	224.25	243.94	233.60
Shareholders' Equity			
Share capital	13.91	13.91	13.91
Reserves	363.64	361.49	784.49
Total Shareholders' Equity	377.55	375.40	798.40
Total sources of funds	**601.80**	**619.34**	**1,032.00**
KEY PERFORMANCE INDICATORS			
Book value per equity share of ₹ 2/– each	54.27	53.96	114.77
Debt-to-Equity Ratio	0.59	0.65	0.29
EBITDA (%)	5%	4%	2%
Profit after tax (%)	1%	-	(3%)
Return on Shareholders' Equity (%)	5%	(1%)	(5%)
Return on Capital Employed (%)	7%	3%	(1%)

*Other Assets (Net) are net of Current & Non Current Assets and Liabilities.

#During the year, the Board of Directors of the Company declared ₹ 1/- per share as interim dividend and recommended a final dividend of ₹ 1/- per share, subject to the approval of the members at the Annual General Meeting.

2018 – 19	2019 – 20	2020 – 21	2021 – 22	2022 – 23	2023 – 24	2024 – 25
1,054.58	1,062.12	637.84	1,063.76	1,415.62	2,142.22	2,845.30
(30.31)	49.85	(11.12)	76.67	73.89	109.38	106.53
(83.62)	(14.59)	(40.83)	(10.17)	(0.54)	–	(6.00)
(30.19)	(31.43)	(22.10)	(18.59)	(17.72)	(15.34)	(10.96)
(35.96)	(17.18)	(17.05)	(15.67)	(15.36)	(15.00)	(15.03)
(180.08)	(13.36)	(91.11)	32.24	40.27	79.04	74.54
(180.07)	(13.71)	(93.75)	29.29	37.48	98.75	98.14
–	–	–	–	–	–	2.00
(25.89)	(1.97)	(13.48)	4.19	5.32	13.92	13.66
135.72	135.68	111.88	94.17	92.47	83.51	82.53
374.09	168.68	444.74	633.71	525.50	633.84	446.27
204.15	129.95	53.79	70.09	90.26	179.05	280.86
713.96	**434.31**	**610.41**	**797.97**	**708.23**	**896.40**	**809.66**
206.97	149.75	143.78	112.02	93.60	81.84	68.29
13.91	13.91	13.92	14.07	14.12	14.30	14.38
493.08	270.65	452.71	671.88	600.51	800.26	726.99
506.99	284.56	466.63	685.95	614.63	814.56	741.37
713.96	**434.31**	**610.41**	**797.97**	**708.23**	**896.40**	**809.66**
72.88	40.91	67.02	97.50	87.06	113.92	103.68
0.41	0.53	0.31	0.16	0.15	0.10	0.09
(3%)	5%	(2%)	7%	5%	5%	4%
(17%)	(1%)	(16%)	3%	3%	5%	3%
(36%)	(5%)	(20%)	4%	6%	12%	13%
(21%)	4%	(5%)	8%	8%	11%	11%

Corporate Information

This Annual Report (containing all the reports and information) may contain forward-looking information to enable the investors to comprehend the Company's prospects and take informed investment decisions. This report and other statements—written as well as oral—that the Company periodically makes, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. MIL has tried, wherever possible to identify such statements by using words such as 'anticipates,' 'estimates,' 'expects,' 'hopefully,' 'optimistic,' 'likely,' 'projects,' 'intends,' 'plans,' 'believes' and words of similar substance in connection with any discussion of future performance. The Company cannot guarantee that forward-looking statements will be realized, although it believes that it has been prudent in its assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. MIL undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Important Communication to Members

The Ministry of Corporate Affairs (MCA) has taken a 'Green Initiative in Corporate Governance' by allowing paperless compliance by companies. It has issued has issued circulars stating that service of notice/documents, including the Annual Report, can be sent by Email to its members. To support this green initiative of the MCA fully, members who have not registered their Email addresses so far are requested to register their e-m ail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants (DP).

BOARD OF DIRECTORS

Mr. Hrishikesh A. Mafatlal
Chairman
DIN: 00009872

Mr. Priyavrata H. Mafatlal
Managing Director
DIN: 02433237

Mr. Vilas R. Gupte
Independent Director
DIN: 00011330
(Till August 4, 2024)

Mr. Pradip N. Kapadia
Independent Director
DIN: 00078673
(Till August 4, 2024)

Mrs. Latika P. Pradhan
Independent Director
DIN: 07118801
(Till April 16, 2025)

Mr. Atul K. Srivastava
Independent Director
DIN: 00046776

Mr. Gautam G. Chakravarti
Independent Director
DIN: 00004399
(Till May 29, 2025)

Mr. Sujal A. Shah
Independent Director
DIN: 00058019
(Till May 29, 2025)

Mr. Abhay R. Jadeja
Independent Director
DIN: 03319142
(w.e.f. May 27, 2024)

Mr. Ashutosh S. Bishnoi
Independent Director
DIN: 02926849
(w.e.f. May 27, 2024)

Mr. Jyotin K. Mehta
Independent Director
DIN: 00033518
(w.e.f. October 26, 2024)

Mr. Desh Deepak Khetrapal
Independent Director
DIN: 02362633
(w.e.f. February 4, 2025)

Dr. Archana N. Hingorani
Independent Director
DIN: 00028037
(w.e.f. February 4, 2025)

AUDIT COMMITTEE

Mr. Vilas R. Gupte
Chairman (Till August 2, 2024)

Mrs. Latika P. Pradhan
Chairperson
(After August 2, 2024 to April 16, 2025)

Mr. Sujal A. Shah
Member (Till April 16, 2025)

Mr. Gautam G. Chakravarti
Member (Till April 16, 2025)

Mr. Atul K. Srivastava
Member (After August 2, 2024)
Chairman (w.e.f. April 16, 2025)

Mr. Jyotin K. Mehta
Member (w.e.f. April 16, 2025)

Mr. Ashutosh S. Bishnoi
Member (w.e.f. April 16, 2025)

Dr. Archana N. Hingorani
Member (w.e.f. April 16, 2025)

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Atul K. Srivastava
Chairman (Till May 15, 2025)

Mr. Pradip N. Kapadia
Member (Till August 2, 2024)

Mr. Abhay R. Jadeja
Member (w.e.f. August 2, 2024)
Chairman (w.e.f. May 15, 2025)

Mr. Hrishikesh A. Mafatlal
Member

Mr. Desh Deepak Khetrapal
Member (w.e.f. May 15, 2025)

Mr. Priyavrata H. Mafatlal
Member (w.e.f. May 15, 2025)

NOMINATION AND REMUNERATION COMMITTEE

Mr. Pradip N. Kapadia
Chairman (Till August 2, 2024)

Mr. Vilas R. Gupte
Member (Till August 2, 2024)

Mr. Gautam G. Chakravarti
Member
Chairman (w.e.f. August 2, 2024
Till May 15, 2025)

Mr. Atul K. Srivastava
Member (From August 2, 2024 to May 15, 2025)

Mr. Ashutosh S. Bishnoi
Member (After August 2, 2024)
Chairman (w.e.f. May 15, 2025)

Mr. Jyotin K. Mehta
Member (w.e.f. May 15, 2025)

Mr. Desh Deepak Khetrapal
Member (w.e.f. May 15, 2025)

Mr. Hrishikesh A. Mafatlal
Member (w.e.f. May 15, 2025)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Hrishikesh A. Mafatlal
Chairman

Mr. Atul K. Srivastava
Member

Mr. Sujal A. Shah
Member (Till May 15, 2025)

Mr. Abhay R. Jadeja
Member (w.e.f. May 15, 2025)

CHIEF EXECUTIVE OFFICER (CEO)

Mr. M. B. Raghunath

CHIEF FINANCIAL OFFICER (CFO)

Mr. Milan P. Shah

COMPANY SECRETARY (CS)

Mr. Amish P. Shah

AUDITORS

Statutory Auditors
Price Waterhouse Chartered Accountants LLP

Internal Auditors
Aneja Assurance Private Limited

SOLICITOR

Vigil Juris, Mumbai

REGISTERED OFFICE

301-302, Heritage Horizon,
3rd Floor, Off. C.G. Road,
Navrangpura, Ahmedabad – 380009
Email: ahmedabad@mafatlals.com
Tel: +91-79-26444404-06

MARKETING OFFICE

Mafatlal House, 5th Floor,
H.T. Parekh Marg, Backbay
Reclamation, Mumbai – 400020,
Maharashtra, India
Tel: +91-22-67713800

PLANTS

NADIAD
Kapadvanj Road, Nadiad – 387001,
Gujarat

SANGLI
MIDC, Kupwad, Taluka: Miraj,
District: Sangli – 416436,
Maharashtra

REGISTRAR AND SHARE TRANSFER AGENT

KFIN TECHNOLOGIES LTD.
Selenium Tower B, Plot No. 31- 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500032,
Telangana, India
Email: einward.ris@kfintech.com
Website: www.kfintech.com
Tel: 18003094001

INVESTOR RELATIONS CENTER

AHMEDABAD
Office No. 401 on 4th Floor, ABC-I,
Off. C.G. Road, Ahmedabad – 380009
Email: ahmedabadmfd@kfintech.com
Tel: +91-9081903021

MUMBAI
6/8 Ground Floor, Crossely House,
Near BSE Ltd. , Next to Union Bank,
Fort, Mumbai – 400001
Email: mumbaimfd@kfintech.com
Tel: +91-22-46052082

Notice

NOTICE is hereby given that the 111th Annual General Meeting of Mafatlal Industries Limited (the Company) will be held on **Monday, August 4, 2025, at 3.30 P.M.** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following businesses. The venue of the Meeting shall be deemed to be the Registered Office of the Company situated at 301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009, Gujarat.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated) of the Company for the financial year ended on March 31, 2025, together with the report of the Board of Directors and report of the Auditors thereon.

2. To confirm Interim Dividend declared by the Board of Directors and declare Final Dividend on Equity Shares for the financial year ended on March 31, 2025.

3. To appoint a Director in place of Mr. Hrishikesh A. Mafatlal (DIN: 00009872), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **RATIFICATION OF COST AUDITORS' REMUNERATION:**

To consider and if thought fit, to pass the following resolution with or without modification(s), as an **ORDINARY RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force) the payment of remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy Five Thousand Only), plus applicable taxes and re-imbursement of out-of-pocket expenses incurred for the purpose of audit, payable to M/s. B. Desai & Co., Cost Auditors (Firm Registration No. 005431), for conducting the audit of cost accounting records relating to the products 'Textiles' manufactured and traded by the Company for the financial year 2025-26 as approved by the Board of Directors of the Company on recommendation of the Audit Committee, be and is hereby approved and ratified.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, or desirable or expedient to give effect to the above resolution."

5. **APPOINTMENT OF SECRETARIAL AUDITOR:**

To consider and if thought fit, to pass the following resolution with or without modification(s), as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and in accordance with the recommendation of the Audit Committee and approval by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for appointment of Umesh Ved, M/s. Umesh Ved & Associates Company Secretaries, Ahmedabad (FCS No.: 4411, COP No.: 2924, Peer Review No.: 766/2020) as the Secretarial Auditors of the Company to conduct the Secretarial Audit for five consecutive financial years from 2025-26 to 2029-30 on such remuneration plus reimbursement of out of pocket expenses and applicable taxes, for the purpose of audit as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditor from time to time.

Notice (Contd.)

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board of Directors of the Company to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditor may be eligible to provide or issue under applicable laws, at a remuneration to be determined by the Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, or desirable or expedient to give effect to the above resolution."

6. **PAYMENT OF REMUNERATION BY WAY OF COMMISSION TO NON-EXECUTIVE INDEPENDENT DIRECTORS (NEIDS) OF THE COMPANY FOR 2024-25:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 197, 198, and other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force), and in terms of the recommendation made by the Nomination and Remuneration Committee at their meeting held on May 13, 2025 and approval of the Board of Directors at their meeting held on May 13, 2025 and subject to such approvals, permissions and sanctions, as applicable, the consent of the members of the Company be and is hereby accorded, for payment of remuneration by way of Commission to Non-Executive Independent Directors of the Company, including the Non-Executive Independent Directors of the Company those who were appointed and ceased to be Directors of the Company during the financial year ended on March 31, 2025 but not exceeding in aggregate ₹ 75,00,000/- (Rupees Seventy Five Lakhs Only), in such manner and in all respects as may be decided and determined by the Board of Directors of the Company, for the Financial Year ended on March 31, 2025.

RESOLVED FURTHER THAT the remuneration payable to the Non-Executive Independent Directors will be in addition to the payment of sitting fees paid to directors for attending the meetings of the Board of Directors and Committees thereof.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper, or desirable or expedient to give effect to the above resolution."

By Order of the Board
for **Mafatlal Industries Limited**

Amish P. Shah
Company Secretary
(ACS: 20622)

Place: Mumbai
Date: May 13, 2025

Regd. Office:
Mafatlal Industries Limited (CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road,
Navrangpura, Ahmedabad – 380 009
Tel: 079-2644 4404-06
E-mail: ahmedabad@mafatlals.com
Website: www.mafatlals.com

NOTES

1. The Ministry of Corporate Affairs ('MCA') has, vide its various circulars issued from time to time and 'SEBI' Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 (hereinafter referred to as 'SEBI Circulars') permitted convening the Annual General Meeting ('AGM'/'Meeting') through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the members at a common venue. In accordance with the MCA and SEBI Circulars, the 111th AGM of the Company will be held on **Monday, August 4, 2025 at 3.30 p.m.** through VC/OAVM and hence, the facility for appointment of proxy by the members is not available for this AGM and thus the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. The venue of the meeting shall be deemed to be the Registered Office of the Company, situated at 301-302, Heritage Horizon, 3rd Floor, Off. C.G. Road, Navrangpura, Ahmedabad - 380 009.

2. For the convenience of the members and proper conduct of AGM, members can login and join at least 15 minutes before the time scheduled for the AGM and the meeting link shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first-come first-served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the AGM without restriction on account of first-come first-served basis. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

3. The Annual Report, inter alia, containing the 111th AGM Notice and other disclosures, will be uploaded on the Company's website at www.mafatlals.com under 'Investors' Section (available for free download and review from the website). The Notice of the 111th AGM forms part of the Annual Report 2024-25 and is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/DP in conformity with the MCA and SEBI circulars. Those members who wish to receive a paper copy of the Annual Report, may write to us on our e-mail: ahmedabad@mafatlals.com.

4. As required under the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions, E-Voting facility is being provided to the Members. Details of the E-Voting process and other relevant details are being sent to the Members along with the Notice and provided at the end of this Annual Report.

5. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable Secretarial Standards issued by ICSI, the requisite information inter alia containing the particulars of the Director seeking appointment/re-appointment and the information as required under para (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 are annexed hereto.

6. The Registers required to be maintained under the Companies Act, 2013 and all documents referred to in the Notice will be made available for inspection. Members who seek inspection may write to us at ahmedabad@mafatlals.com.

7. The annual accounts of the subsidiary companies are made available on the website of the Company at www.mafatlals.com/investor.

8. It may be noted that the Company will provide the Shareholders' Cloth Discount Coupon to those members who request for the same. Members may communicate such a request by way of e-mail on the Company's e-mail address at ahmedabad@mafatlals.com or by letter to the Company's Registered Office.

Notice (Contd.)

9. Members holding shares in the physical form are advised to complete KYC in the prescribed form No. ISR-1 and communicate the particulars of their PAN, bank account, change of postal address, e-mail ID, mobile no. and nomination to the RTA i.e., KFin Technologies Limited (Unit: Mafatlal Industries Limited), Plot No. 31-32, Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or the Secretarial Department of the Company, otherwise folio shall be frozen by the RTA. The shareholders can access the KYC status of their folio via the link https://kprism.kfintech.com/.

10. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDNI%3d, Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.

11. The Company fixed **Friday, July 25, 2025**, as the cut-off date for determining the eligibility of Members entitled to vote at the AGM and to receive the dividend. The remote e-voting shall remain open for three days commencing from **Friday, August 1, 2025, at 9.00 a.m. to Sunday, August 3, 2025, at 5.00 p.m. (IST), (both days inclusive)**.

12. Members present in the meeting through video conferencing and who have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through the e-voting system during the meeting.

13. In line with 'green initiatives' the Companies Act, 2013 provides for sending the Notice of the AGM and other correspondence through the electronic mode. Hence, Members who have not registered their e-mail IDs with their depository participants are requested to register their e-mail ID to receive all our communications, including Annual Report, Notices etc., in electronic mode. The Company is concerned about protecting the environment and utilizing natural resources in a sustainable way.

14. Members are requested to note that as per Section 124(6) of the Companies Act, 2013, read with IEPF Rules as amended, all the shares in respect of which dividend remained unclaimed for seven consecutive years or more, are required to be transferred to the demat account of the IEPF Authority. Consequently, the Company transferred eligible equity shares pertaining to the financial year 2023-24 to the demat account of the IEPF Authority. Members are entitled to claim the same from IEPF by submitting an application in the prescribed online web-based Form IEPF-5 available on www.iepf.gov.in and sending a physical copy of the same, duly signed, to the Nodal Officer of the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

15. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can only be transferred in a demat form with effect from April 1, 2019, except in case of a request for transmission or transposition of securities. In view of this, and to eliminate all risks associated with physical shares and for the ease of portfolio management, members holding shares in the physical form are requested to consider converting their holding to a demat form. Members can contact the Company or our RTA for assistance.

16. CS Umesh Ved, M/s. Umesh Ved and Associates, Company Secretaries, Ahmedabad (FCS No.:4411 CP No.:2924) has been appointed as the scrutinizer to scrutinize the remote, e-voting,

process before/during the AGM in a fair and transparent manner.

17. The Scrutinizer will submit his report to the Chairman, or any other person authorized by the Chairman after completion of scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be communicated to the stock exchange on which the Company's shares are listed and will also be displayed on the Company's website at www.mafatlals.com.

18. Members are encouraged to submit their questions in advance concerning the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number, and mobile number, to reach the e-mail address at agm.speaker@mafatlals.com **before 5.00 p.m. (IST) on Tuesday, July 29, 2025.** Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest, post conclusion of the AGM.

19. SEBI has, established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated July 31, 2023 (Updated as on August 4, 2023, and amended as on December 20, 2023). Pursuant to the same, investors shall first take up grievance with the Company directly and escalate the same through the SCORES Portal. If still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login.

20. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by e-mail, a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting at ahmedabad@mafatlals.com.

21. Members seeking any information regarding the accounts of the Company are requested to write to the Company at ahmedabad@mafatlals.com at-least 10 days before the meeting so that the information is made available by the management on the day of the meeting.

22. Instructions for E-Voting, attending the 111th Annual General Meeting through Video Conferencing (VC/ OAVM), and other aspects, are posted on the Company's website www.mafatlals.com and also provided at the end of this Annual Report. The same is also sent to concerned Members whose e-mail id is registered with us.

23. The Shares of the Company are listed on BSE Limited, and the Listing fee for the Exchange has been paid by the Company for the financial year 2025-26.

24. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.

25. The Company reserves its right to restrict the number of speakers depending on the availability of time for the AGM.

26. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA/the Company.

27. In terms of the SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 read with Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, any request for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019, unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

Notice (Contd.)

28. **Dividend**

I. The dividend, as recommended by the Board, if approved at the 111th AGM, will be paid on or after **August 16, 2025** to those members whose names appear on the record of Depositories [National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)] (for shares held in Demat form) or Register of Members (for shares held in physical form) on **Friday, July 25, 2025** (record date for dividend).

II. Members holding shares in physical form are requested to promptly notify in writing their bank account details any change therein or change in their address, nomination, e-mail address, mobile number, etc., in Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 read with SEBI/HO/ MIRSD/ MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 along with requisite documents as mandated by SEBI to RTA. These details will be updated provided other relevant KYC details are registered for the folio. Members holding shares in electronic form are requested to notify the change in above particulars directly to their DP.

III. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/ HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 dated March 16, 2023, SEBI/HO/ MIRSD/PoD-1/P/CIR/2023/181 dated November 17, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June10, 2024), dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Tax on Dividend to Resident Shareholders

A. Tax on dividend amount to Resident Individual Shareholders

Tax shall not be deducted on payment of dividend to Resident Individual Shareholder, if the total amount of dividend payable during the Financial Year does not exceed ₹ 10,000/-.

Tax to be deducted on payment of dividend to Resident Individual Shareholder, if the total amount of dividend payable during the Financial Year exceeds ₹ 10,000/-:

Category of shareholder	Applicable tax rate	Documents required to be submitted	Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident individual shareholders with PAN	10%	NA	Resident individual shareholders without PAN/invalid PAN/ inoperative PAN (PAN not linked with Aadhar)	20%	NA

Resident Individual Shareholders, desirous to avail exemption from deduction of tax on payment of dividend exceeding ₹ 10,000/- during the Financial Year:

Category of shareholder	Applicable tax rate	Documents required to be submitted
Resident Individual shareholders with PAN	Nil	Copy of PAN card Declaration in Form 15G (for individuals with no tax liability on total income). Declaration in Form 15H (for individuals above the age of 60 years with no tax liability on total income).

Tax on dividend amount to Resident Non-Individual Shareholders

Tax on dividend payable during the Financial Year to Resident Non-Individual Shareholders shall be deducted either @ 10% or at applicable rates. They can avail exemption from TDS by submission of following documents:

Category of shareholder	Applicable tax rate	Documents required to be submitted	Category of shareholder	Applicable tax rate	Documents required to be submitted
Mutual Fund specified under Section 10(23D) of the Income Tax Act, 1961 (the Act)	Nil	Copy of self-attested PAN Declaration under section 10(23D) of the Act	An Insurance Company exempted under Section 194 of the Income Tax Act, 1961	Nil	Copy of self-attested PAN Declaration qualifying as Insurer as per Section 2(7A) of the Insurance Act, 1938
Alternate Investment Fund (AIF established in India)	Nil	Copy of self-attested PAN Declaration under section 10(23FBA) of the Income Tax Act, 1961 for exemption and registration certificates for either Category I or Category II AIF as per SEBI Regulations	Other non-individual shareholders	Nil	Copy of self-attested PAN Declaration along with self-attested copy of documentary evidence supporting the exemption
Shareholders who have submitted order u/s 197 of the Income Tax Act, 1961	As per order	Copy of self-attested PAN Lower withholding tax certificate for the 2024-25 obtained from tax authority to be submitted to claim the lower tax rates			

B. Tax on Dividend to Non-Resident Shareholders

Tax deductible at source/withholding tax on payment of dividend during the Financial Year to Non-Resident Shareholders shall be as follows:

Non-resident shareholders shall be taxed at 20% plus applicable surcharge and cess on the dividend payable during the Financial Year. They can avail beneficial rates under tax treaty between India and their country of residence, subject to submission of necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form10F filed electronically through Income Tax portal, any other document which may be required to avail the tax treaty benefits.

Format for submission of various declarations mentioned above are made available at 'Investor Relations' section on the website of the Company and the shareholders are requested to up load the duly filled in declarations to the link, https://ris.kfintech.com/form15/ **on or before Friday July 25, 2025**.

Notice (Contd.)

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

IN RESPECT OF ITEM NO. 4:

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, the Company is required to appoint a Cost Auditors for the audit of cost accounting records relating to the Textiles Products of the Company maintained in compliance with the applicable provisions. Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. B. Desai & Co. Cost Auditors, (Firm Registration No. 005431), as the Cost Auditors for conducting the cost audit for the financial year 2025-26 on a proposed remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy Five Thousand only) plus applicable taxes and re-imbursement of out-of-pocket expenses incurred for the purpose of such audit.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified and approved by the members of the Company.

Accordingly, the consent of the Members is sought by way of an Ordinary Resolution as set out in Item No. 4 of the Notice. The Board accordingly recommends the resolution in Item No. 4 of this Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 4 of this Notice.

The Board recommends the Ordinary Resolution at Item No. 4 of the Notice for approval of the Members of the Company.

IN RESPECT OF ITEM NO. 5:

In accordance with the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to annex with its Board's Report a Secretarial Audit Report, issued by a Company Secretary in practice who has undergone a peer review process. On the basis of recommendation of Audit Committee and approval of the Board of Directors, the Company shall appoint or re-appoint an individual as a Secretarial Auditor for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of the members in Annual General Meeting ("AGM").

Based on the recommendation of the Audit Committee and the Board of Directors at its meeting held on May 13, 2025, approved the appointment of Umesh Ved, M/s. Umesh Ved & Associates, Company Secretaries, Ahmedabad (FCS No.: 4411, COP No.: 2924, Peer Review Certificate No.: 766/2020), as the Secretarial Auditors of the Company for a term of five consecutive financial years, commencing from 2025-26 to 2029-30 subject to approval of the members. The appointment has been made after evaluating the firm's eligibility, professional qualifications, experience, competency and independence, along with the Company's prior experience with the quality of secretarial audit work performed by the firm.

The Company has received a consent letter from Mr. Umesh Ved, M/s. Umesh Ved & Associates, expressing their willingness to undertake the Secretarial Audit and issue the Secretarial Audit Report in accordance with Section 204 of the Companies Act, 2013, and other applicable provisions, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time. Mr. Umesh Ved, M/s. Umesh Ved & Associates, has further affirmed compliance with Regulation 24A(1B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in providing services to the Company. Further, they have confirmed that, they hold a valid Peer Review Certificate issued by the Institute of Company Secretaries of India (ICSI), they meet all eligibility criteria and have not incurred any disqualifications for appointment as Secretarial Auditor, as specified under the SEBI circular dated December 31, 2024.

Mr. Umesh Ved, M/s. Umesh Ved & Associates, is a leading firm of practicing Company Secretaries with over 31 years of experience in delivering comprehensive professional services across Corporate Laws and Taxation, SEBI Regulations, finance and accounting and Legal Compliances. Their expertise includes conducting Secretarial Audits, Due Diligence Audits, Compliance Audits etc.

The Board of Directors has approved remuneration of ₹ 75,000/- plus applicable taxes and out-of-pocket expenses for FY 2025-26 and for subsequent years of term, such fee as determined by the Board on recommendation of Audit Committee in consultation with Mr. Umesh Ved, M/s. Umesh Ved & Associates, Besides the audit services, the Company would also obtain permitted services which are to be received from the Secretarial Auditor under various statutory regulations from time to time, for which Mr. Umesh Ved, M/s. Umesh Ved & Associates, will be remunerated separately on mutually agreed terms. The Board of Directors may alter and vary the terms and conditions of appointment, including remuneration, in such a manner and to such an extent as may be mutually agreed with the Secretarial Auditor.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 5 of this Notice.

The Board recommends the Ordinary Resolution at Item No. 5 of the Notice for approval of the Members of the Company.

IN RESPECT OF ITEM NO. 6:

As per the provisions of Sections 149, 197, 198, and other applicable provisions, if any of the Companies Act, 2013 (the Act) read with Schedule V thereof and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules") and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, and considering the roles and responsibilities of the directors, it is proposed that the remuneration by way of commission be paid, collectively to all the Non-Executive Independent Directors (NEIDs), including those NEIDs of the Company who have ceased to be Directors of the Company during the financial year 2024-25 and including appointed as an Additional Directors for 2024-25. This proposed payment is under Section 197(3) read with Schedule V of the Act.

The NEIDs of the Company bring with them a wealth of experience and domain knowledge across diverse areas including, but not limited to, strategic management, industry-specific insights, finance and risk management, corporate governance, public policy, and global business practices. Their active participation in Board and Committee meetings, coupled with their independent judgment and strategic oversight, significantly contributes to the quality of the Company's decision-making and its commitment to maintaining the highest standards of corporate governance. Having regard to the above and in order to attract and retain the rich expertise of the NEIDs, the Nomination and Remuneration Committee at its meeting held on May 13, 2025, recommended payment of remuneration by way of Commission to NEIDs to the Board of Directors. The Board of Directors then at its meeting held on May 13, 2025, accorded their consent for payment of commission to Non-Executive Independent Directors.

Sr. No.	Name of Non-executive Independent Directors	(₹)
1.	Mr. Vilas R. Gupte (up to August 4, 2024)	5,00,000
2.	Mr. Pradip N. Kapadia (up to August 4, 2024)	5,00,000
3.	Mr. Sujal A. Shah	9,00,000
4.	Mrs. Latika P. Pradhan (up to April 16,2025)	9,00,000
5.	Mr. Gautam G. Chakravarti	9,00,000
6.	Mr. Atul K. Srivastava	9,00,000
7.	Mr. Abhay R. Jadeja (from May 27, 2024)	9,00,000
8.	Mr. Ashutosh S. Bishnoi (from May 27, 2024)	9,00,000
9.	Mr. Jyotin K. Mehta (from October 26, 2024)	5,00,000
10.	Mr. Desh Deepak Khetrapal (from February 4, 2025)	3,00,000
11.	Dr. Archana N. Hingorani (from February 4, 2025)	3,00,000

It is also emphasized that remuneration by way of commission to NEIDs is in accordance with the Nomination and Remuneration Policy of the Company. The same is available on the Company's website at: https://www.mafatlals.com/investors/ .

Notice (Contd.)

The information as required to be disclosed under paragraph (iv) of the second proviso after Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 is annexed herewith as Annexure-II forming a part of this Notice.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditors, if any.

None of the Interested Directors, (including those who ceased to be Directors during the Financial Year 2024-25) hold shares exceeding 2% of the Paid-Up Share Capital of the Company.

None of the Directors, Key Managerial Personnel, or their relatives are, in any way, concerned or interested, financially or otherwise, except Mr. Vilas R. Gupte, Mr. Pradip N. Kapadia, Mr. Sujal A. Shah, Mrs. Latika P. Pradhan, Mr. Gautam G. Chakravarti, Mr. Atul K. Srivastava, Mr. Abhay R. Jadeja, Mr. Ashutosh S. Bishnoi, Mr. Jyotin K. Mehta, Mr. Desh Deepak Khetrapal, and Dr. Archana N. Hingorani, to the extent of being recipient of the commission as set out in Item No. 6 of this Notice.

The Board recommends the Special Resolution at Item No. 6 of the Notice for approval of the Members of the Company.

By Order of the Board
for **Mafatlal Industries Limited**

Amish P. Shah
Company Secretary
(ACS: 20622)

Place: Mumbai
Date: May 13, 2025

Regd. Office:
Mafatlal Industries Limited (CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road,
Navrangpura, Ahmedabad – 380 009
Tel: 079-2644 4404-06
E-mail: ahmedabad@mafatlals.com
Website: www.mafatlals.com

ANNEXURE - I TO NOTICE

Particulars of the Directors seeking appointment/re-appointment pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India (ICSI):

Name & DIN	**Mr. Hrishikesh A. Mafatlal (DIN 00009872)**
Age	71 years
Qualifications	He did his graduation in Commerce with Honors, from Sydenham College, Mumbai and completed Advance Management Program (AMP) at Harvard Business School, USA in 1993.
Experience (including expertise in specific functional area)/Brief Resume	He is an Industrialist with diversified experience of more than 48 years in Textiles, Chemicals, Petrochemicals, Financial Services, etc.
Date of first appointment on the Board	May 3, 1979
Directorships held in other Companies (Public Limited Companies)	NOCIL Limited
Resignations from the Listed Companies in the past three years	None
Memberships/ Chairmanships of Committees of other Companies. **# Only membership/chairmanship of Audit committee and Stakeholders/shareholders Relationship Committee is considered**	**Mafatlal Industries Limited** Member of Stakeholders Relationship Committee **NOCIL Limited** Member of Stakeholders Relationship and Investor Grievance Committee
Number of Equity Shares held in the Company, including shareholding as a beneficial owner	112,08,120 Equity Shares of ₹ 2/ each
Relationship between Directors and other KMPs inter-se	He is the father of Mr. Priyavrata H. Mafatlal, Managing Director of the Company.
Number of Meetings of the Board, Audit Committee and the Stakeholders' Relationship Committees attended during the financial year 2024-25	Attended all 6 Board Meetings Attended 1 Stakeholders' Relationship Committee Meeting.
Remuneration (including sitting fees, if any) drawn in financial year 2024-25 and terms and conditions of re-appointment	Mr. Hrishikesh A. Mafatlal, Executive Chairman has voluntarily waived receiving remuneration since his appointment on November 1, 2016. Accordingly, the Company did not pay him any remuneration. Re-appointment in terms of Section 152(6) of the Companies Act, 2013. He is retiring by rotation and being eligible, offers himself for re-appointment.

Notice (Contd.)

ANNEXURE II TO NOTICE

The information as required under para (iv) of Section II of Part II of Schedule V to the Companies Act, 2013 in respect of the payment of remuneration by way of commission is paid to the NEIDs for the financial year 2024-25:

I. GENERAL INFORMATION:

(1) Nature of Industry:

The Company is engaged in the manufacture and trading of textiles and related products, digital infrastructure and consumer durables and related product segments.

(2) Date or expected date of commencement of commercial production:

The Company is in business since its incorporation.

(3) In the case of new companies, the expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

(4) Financial performance based on given indicators:

(₹ In Crores)

Particulars	For the Financial Year ended on March 31, 2025	For the Financial Year ended on March 31, 2024	For the Financial Year ended on March 31, 2023
Total Turnover and other operational income	**2,845.30**	2,142.22	1,415.62
EBITDA	**106.53**	109.37	73.89
Net Profit after Tax	**98.14**	98.75	37.48

(5) Foreign investment or collaboration:

None

II. INFORMATION ABOUT THE REMUNERATION BY WAY OF COMMISSION IS PAID TO THE NON-EXECUTIVE INDEPENDENT DIRECTORS (NEIDS):

1. Background Details:

		Other Details			
Sr. No	**Name of Non-Executive Independent Directors and DIN**	**Educational Qualifications**	**Years of Experience**	**Date of appointment**	**Date of cessation, if any**
1.	Mr. Vilas R. Gupte (DIN: 00011330)	B. Com & CA	57+	May 30, 2013	August 4, 2024
2.	Mr. Pradip N. Kapadia (DIN: 00078673)	B. A. & LL.B.	51+	May 30, 2013	August 4, 2024
3.	Mr. Sujal A. Shah (DIN: 00058019)	B. Com. & CA	34+	May 30, 2015	-
4.	Mrs. Latika P. Pradhan (DIN: 07118801)	B. Com., CA, CWA, CS & LL.B.	44+	April 17, 2015	April 16, 2025

		Other Details			
Sr. No	**Name of Non-Executive Independent Directors and DIN**	**Educational Qualifications**	**Years of Experience**	**Date of appointment**	**Date of cessation, if any**
5.	Mr. Gautam G. Chakravarti (DIN: 00004399)	M.A. (Economics), Post Graduate Program in Management from IIM, Ahmedabad	49+	May 30, 2015	-
6.	Mr. Atul K. Srivastava (DIN: 00046776)	B.Sc. & CA	48+	October 10, 2012	-
7.	Mr. Abhay R. Jadeja (DIN:03319142)	B. Com. & LL.B.	20+	May 27, 2024	-
8.	Mr. Ashutosh S. Bishnoi (DIN:02926849)	M.B.A.	41+	May 27, 2024	-
9.	Mr. Jyotin K. Mehta (DIN:00033518)	B.Com., CA, CWA, CS	40+	October 26, 2024	-
10.	Mr. Desh Deepak Khetrapal (DIN: 02362633)	B.Com. (Hons), M.B.A. (Marketing & Finance)	50+	February 4, 2025	-
11.	Dr. Archana N. Hingorani (DIN: 00028037)	B.A., M.B.A. Ph.D.	30+	February 4, 2025	-

For more details of NEIDs, refer to the Corporate Governance Report.

2.	**Past remuneration:**	Except sitting fees, no remuneration or commission has been paid to the NEIDs in the past.
3.	**Job profile and suitability**	NEIDs of the Company play an important role in sustainable growth, attaining the overall strategic goals of the Company and ensuring adoption of good governance practices. The Independent Directors of the Company bring with them significant professional expertise and rich experience and knowledge across a wide spectrum of functional areas such as business strategy, finance and corporate governance. They actively engage with the Management for fostering the effectiveness of the Company's performance and setting high-quality governance standards and norms for the Company.
4.	**Remuneration proposed:**	As stated in Explanatory Statement of Item No. 6 of the Notice.
5.	**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**	Considering the Company's size, business module and versatility of operations, there are no other companies which are exactly similar to the Company's activities with which details can be compared for the said purpose. However, the remuneration for a similar position in the industry, having regard to the size of the companies and profile, knowledge and experience of person is comparable to the remuneration of the NEIDs.
6.	**Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**	None

Notice (Contd.)

III. OTHER INFORMATION:

- **Reasons of loss or inadequate profits:**

  The Company has not been at a loss in the last three financial years. The Company is in absence or inadequacy as per the calculation of profit for the payment of managerial remuneration pursuant to Section 198 of the Companies Act, 2013. Hence, the Company shall pay remuneration by way of commission collectively to all the NEIDs, including those who have appointed and ceased to be Directors of the Company during the financial year and Additional Directors for 2024-25, subject to the approval of the members, by way of passing a special resolution.

- **Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:**

  Since the last four financial years, the Company has undertaken a series of strategic initiatives to reduce fixed costs, including reducing manpower costs, developing business synergies across product portfolios and expanding its range of products and business operations. The Company started working towards the implementation of a strategic initiative of opting for an 'asset light' business model for its manufacturing operations. The Company undertook a series of initiatives to strengthen the effectiveness of its manufacturing operations; it improved the inventory turnaround time and widened its marketing and distribution network. As a result of this, the Company has been in profit for the last three financial years.

Directors' Report

To The Members,

Mafatlal Industries Limited

Your Board of Directors are pleased to present the 111th Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended on March 31, 2025.

FINANCIAL RESULTS

The financial results of the Company are as under:

₹ in Crores

Particulars	Current Year 2024-25	Previous Year 2023-24
Revenue from operations	2,807.23	2,078.41
Other income	38.07	63.81
Total income	**2,845.30**	**2,142.22**
EBITDA	**106.53**	**109.37**
Less: Depreciation and amortization expenses	15.03	15.00
Less: Finance costs	10.96	15.34
Profit before exceptional items	**80.54**	**79.04**
Exceptional items	(6.00)	-
Profit before taxes	**74.54**	**79.04**
Tax expense/(benefits)	(23.60)	(19.71)
Profit after taxes	**98.14**	**98.75**

OVERVIEW, STATE OF THE COMPANY AFFAIRS AND THE YEAR IN RETROSPECT

2024-25 unfolded amid global economic uncertainty and heightened geopolitical tensions. Despite these challenges, the Indian economy continued its growth trajectory, driven by resilient domestic consumption, strong macroeconomic fundamentals, expanding export opportunities and supportive government initiatives.

In line with this broader economic momentum, the Company delivered a strong financial performance during the year, further strengthening its leadership position in the school and corporate uniform segment. This growth was enabled by the Company's robust pan-India supply chain, a mature vendor ecosystem, and a demonstrated ability to efficiently execute large-scale institutional orders.

For 2024-25, the Company reported a Total Income of ₹ 2,845.30 Crores, marking a year-on-year growth of 33%. It is noteworthy that the EBITDA for 2023-24 included a one-time gain of ₹ 38.2 Crores from the sale of investment properties and assets held for sale. No such non-recurring income was recorded during 2024-25.

Excluding this one-time gain, the Company exhibited a substantial improvement in its core operating profitability. EBITDA for 2024-25 stood at ₹ 106.53 Crores, while Net Profit was ₹ 98.14 Crores, reflecting strong operational execution and prudent financial management.

BORROWINGS, LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company repaid long-term borrowings amounting to ₹ 17.16 Crores, reinforcing its commitment to prudent financial management and a stronger balance sheet. The Company extends its sincere appreciation to its banking partners and financial institutions for their continued support and confidence, which have been instrumental in facilitating its growth and meeting its financial obligations.

In accordance with the provisions of Section 186 of the Companies Act, 2013, the Company has not granted any loans or provided any guarantees during the financial year. However, the Company has made an investment of ₹ 60 lakhs in the equity share capital of its newly incorporated subsidiary, Pieflowtech Solutions Private Limited (PSPL).

CREDIT RATING

During 2024-25, the Company's credit profile witnessed a notable improvement, as evidenced by upgrades from two leading credit rating agencies.

Acuité Ratings & Research Limited revised the Company's credit rating to 'ACUITE BBB+' (Upgraded) with a Stable outlook for long-term facilities and to 'ACUITE A2' (Upgraded) for short-term facilities.

CARE Ratings Limited also upgraded the Company's credit ratings to 'CARE BBB+' with a Stable outlook for long-term facilities and 'CARE A2' for short-term facilities.

These upgrades reflect the Company's stronger financial position, consistent operational performance and sound credit metrics. A detailed analysis of the Company's financial and operational performance is presented in the Management Discussion and Analysis Report, which forms an integral part of this Annual Report.

DIVIDEND

During the year under review, the Board of Directors declared and paid an Interim Dividend of ₹ 1/- per equity share of ₹ 2/- each (i.e., 50% of the face value), which was disbursed in August 2024. Further, based on the Company's performance, the Board has recommended a final dividend of ₹ 1/- per equity share of ₹ 2/- each (i.e., 50% of the face value) for the financial year ended March 31, 2025, subject to the approval of members at the ensuing 111th Annual General Meeting. With this, the total dividend for 2024-25 amounts to ₹ 2/- per equity share of ₹ 2/- each, representing 100% of the face value.

The dividend recommendation is in accordance with the Company's Dividend Distribution Policy, which is available on the Company's website at: https://www.mafatlals.com/investors/.

In accordance with SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 and SEBI Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 (effective from April 1, 2024), dividend payments will be withheld for shareholders holding shares in physical form if any KYC details are not updated as of the record date. Intimations have already been sent to the concerned shareholders, advising them to update their KYC details by submitting the relevant ISR forms along with self-attested supporting documents. These forms can be downloaded from the websites of the Company and its Registrar and Transfer Agent (RTA).

Pursuant to the Finance Act, 2020, read with applicable provisions of the Income-tax Act, 1961, dividend income is taxable in the hands of shareholders with effect from April 1, 2020. Accordingly, the Company shall deduct tax at source (TDS) on the dividend payment at the prescribed rates, in compliance with applicable tax laws.

UNCLAIMED DIVIDEND AND INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 ('the Act') read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the IEPF Rules'), during the year the Company transferred unclaimed dividend amounting to ₹ 4,86,570/- to the Investor Education and Protection Fund ('IEPF'), established by the Government of India. Further, a total of 10,72,644 shares were transferred to the demat account of the IEPF, in accordance with the IEPF Rules, as the dividend on these shares had remained unclaimed by the shareholders for seven years. Details of the shares and dividend transferred to the IEPF account are available on the Company's website at: https://www.mafatlals.com/investors/.

The nodal officer for the purpose of Compliances relating to IEPF is Mr. Amish P. Shah, Company Secretary and Compliance Officer of the Company. The details of the same are mentioned on the Company's website.

CAPITAL STRUCTURE OF THE COMPANY

During the year under review, the Company allotted an aggregate of 4,07,500 fully paid-up equity shares of ₹ 2/- each under the Mafatlal Employee Stock Option

Scheme, 2017. Consequently, the subscribed and paid-up equity share capital of the Company increased from ₹ 14,30,05,860/- to ₹ 14,38,20,860/-, comprising 7,19,10,430 equity shares of ₹ 2/- each.

There was no issue of equity shares with differential rights as to dividend, voting, or otherwise during the year. Additionally, the Company did not undertake any buyback of shares during the year under review.

SCHEME OF THE ARRANGEMENT FOR CAPITAL REDUCTION AND CAPITAL REORGANIZATION

The Board of Directors, at its meeting held on November 14, 2022, approved a Scheme of Arrangement ("Scheme") between the Company and its Shareholders for the reduction and reorganisation of the Company's capital. Under this Scheme, the credit balances of various reserves appearing in the Balance Sheet were proposed to be adjusted against the entire debit balance of Retained Earnings.

The Scheme was formulated in accordance with applicable laws and does not prejudicially affect the interests of the Company, its shareholders, or any other stakeholders, nor does it impair the Company's operations or its ability to meet financial commitments.

The National Company Law Tribunal, Ahmedabad ('NCLT') approved the Scheme by its order dated April 29, 2024, specifying March 31, 2024, as the Appointed/Efficient date. However, as this date differed from the originally proposed Appointed Date of April 1, 2022, the Company, on May 6, 2024, filed an interlocutory application with the NCLT seeking modification of the order to reflect the originally proposed date, i.e. March 31, 2023. Pending adjudication of the application and based on legal opinion obtained, the effect of the Scheme was not incorporated in the financial statements for the financial year 2023-24.

Subsequently, the NCLT, by its order dated June 27, 2024, allowed the application and revised the Appointed Date to March 31, 2023. As the audited financial statements for 2023-24 had already been approved by the Board on May 27, 2024, the effect of the Scheme has been accounted for in the first quarter of 2024-25.

APPOINTMENT/RE-APPOINTMENT AND CESSATION OF DIRECTORS

Appointment of Directors

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on May 27, 2024, approved the re-appointment of Mr. Atul K. Srivastava (DIN: 00046776) as an Independent Director for a second term of five consecutive years, effective from August 4, 2024 and appointment of Mr. Abhay R. Jadeja (DIN: 03319142) and Mr. Ashutosh S. Bishnoi (DIN: 02926849) as Independent Directors for a first term of five consecutive years, effective from May 27, 2024. The appointments and re-appointment were duly approved by the shareholders at the 110th Annual General Meeting held on August 2, 2024.

Further, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on October 26, 2024, approved the appointment of Mr. Jyotin K. Mehta (DIN: 00033518) as an Independent Director for his first term of five consecutive years, effective from the same date. His appointment was approved by the shareholders through Special Resolution (through Postal Ballot) on January 7, 2025.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on February 4, 2025, approved the appointment of Mr. Desh Deepak Khetrapal (DIN: 02362633) and Dr. Archana N. Hingorani (DIN: 00028037) as an Independent Directors for their first term of five consecutive years, effective from February 4, 2025. These appointments were also approved by the shareholders through Special Resolutions passed (through Postal Ballot) on April 15, 2025.

Re-appointment of Director retiring by rotation

Pursuant to Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Hrishikesh A. Mafatlal (DIN 00009872), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The requisite particulars in respect of Directors seeking re-appointment are provided in Notice convening the Annual General Meeting.

Directors' Report (Contd.)

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors under Section 164 of the Companies Act, 2013.

Details of policy of appointment and remuneration of directors are available on the website of the Company at : https://www.mafatlals.com/investors/.

Cessation

Upon completion of her respective second terms as Independent Director, Mrs. Latika P. Pradhan (DIN: 07118801) ceased to be an Independent Director from the close of business hours on April 16, 2025.

The Company places on record its sincere appreciation for her contributions during her tenure on the Board.

The second term of Mr. Sujal A. Shah (DIN: 00058019) and Mr. Gautam G. Chakravarti (DIN: 00004399) as Independent Directors will conclude at the end of the day on May 29, 2025.

CHANGES IN KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Act, following are the Key Managerial Personnel (KMP) of the Company during the financial year.

- Mr. Priyavrata H. Mafatlal, Managing Director.
- Mr. M. B. Raghunath, Chief Executive Officer.
- Mr. Milan P. Shah, Chief Financial Officer, and
- Mr. Amish P. Shah, Company Secretary

During the year under review, there has been no change in Key Managerial Personnel of the Company.

Mr. Milan P. Shah, Chief Financial Officer of the Company, will retire with effect from May 31, 2025. Based on the recommendations of the Nomination and Remuneration Committee and the Audit Committee, the Board of Directors, at its meeting held on May 13, 2025, approved the appointment of Mrs. Smita Jhanwar as the Chief Financial Officer (CFO) of the Company with effect from June 1, 2025. She has been associated with the Company for over nine years and was appointed as Vice President – Finance in the previous year.

COMMITTEES OF BOARD

As required under the Companies Act, 2013 and the SEBI (LODR) Regulations 2015, the Company has constituted various Statutory Committees. As of March 31, 2025, the Board has constituted the following committees /sub-committees.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Share Allotment Committee
- Investment and Diversification Committee

INDEPENDENT DIRECTORS AND THEIR MEETING

In terms of Section 149 of the Companies Act, 2013, Mr. Atul K. Srivastava, Mr. Gautam G. Chakravarti, Mr. Sujal A. Shah, Mr. Ashutosh S. Bishnoi, Mr. Abhay R. Jadeja, Mr. Jyotin K. Mehta, Mr. Desh Deepak Khetrapal, and Dr. Archana N. Hingorani are the Independent Directors of the Company.

In accordance with Regulation 25(8) of the SEBI (LODR) Regulations, 2015, all Independent Directors have confirmed that they are not aware of any circumstances or situation which exists or may reasonably be anticipated to impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, and that they are independent of the management. In the opinion of the Board, there has been no change in the circumstances which may affect their status as an Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). During the year under review, the Non-Executive Independent Directors ('NEIDs') of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013, as amended from time to time and in accordance with Regulations 17 and 25 of the SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, the performance of individual Directors and the functioning of its Committees, including the Audit Committee, the Nomination and Remuneration Committee and other Committees of the Board.

The performance evaluation of the Whole-time/ Executive Directors was conducted based on various qualitative and quantitative criteria including, but not limited to, qualifications, experience, domain knowledge, commitment, integrity, leadership capabilities, strategic vision, level of engagement, transparency, analytical skills, decision-making and adherence to sound governance practices.

The Board noted with appreciation the valuable contributions, strategic insights and guidance provided by each Director, which have been instrumental in achieving the Company's objectives and fostering sustainable growth.

In addition, as required under Regulation 25 of the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors was held, where the performance of the Non-Independent Directors, the Board as a whole, and the Chairperson of the Company was reviewed and evaluated.

POLICY ON APPOINTMENT OF DIRECTORS AND BOARD DIVERSITY

In terms of the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee (NRC) is responsible for determining the qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Managing Director, Executive Directors and Directors. In line with this requirement, the Board has adopted the Policy on appointment of Directors and Board diversity. The policy is available on the website of the Company at https://www.mafatlals.com/investors/.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board, to the best of their knowledge and based on the information and explanations received from the management of the Company, confirms that:

i. the applicable accounting standards have been followed in preparation of annual accounts for the financial year ended on March 31, 2025, and proper explanations have been furnished relating to material departures.

ii. accounting policies have been selected and applied consistently and prudent judgments and estimates have been made to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.

iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the annual accounts for the financial year ended on March 31, 2025, have been prepared on a going concern basis.

v. internal financial controls are in place and such financial controls are adequate and operating effectively.

vi. adequate systems to ensure compliance with the provisions of all applicable laws are in place and operating effectively.

EMPLOYEE STOCK OPTION SCHEME-2017

At the 103rd Annual General Meeting held on August 2, 2017, the shareholders of the Company approved, by way of a Special Resolution, the creation of an Employee Stock Option Pool comprising 34,75,000 equity shares (post-adjustment for the sub-division of equity shares from ₹ 10/- each to ₹ 2/- each), under the Mafatlal Employee Stock Option Scheme - 2017 (ESOP Scheme - 2017).

Directors' Report (Contd.)

The ESOP Scheme - 2017 has been formulated in compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, and is also aligned with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

In accordance with regulatory requirements, a certificate from M/s. Umesh Ved & Associates, Secretarial Auditors of the Company, confirming that the Scheme complies with the applicable SEBI regulations, will be made available for inspection by shareholders at the ensuing 111th Annual General Meeting. The disclosures as mandated under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, along with other applicable statutory information, are provided in **Annexure D** to this Report.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the financial year, the Company incorporated a subsidiary company named Pieflowtech Solutions Private Limited ('PSPL'), in which the Company holds 60% of the equity share capital, classifying PSPL as a subsidiary under the provisions of the Companies Act, 2013. The incorporation of PSPL is a strategic initiative aimed at strengthening the Company's footprint in the technology solutions domain. This move is aligned with the Company's long-term strategic objectives and is expected to enhance consolidated performance in the forthcoming years.

All requisite disclosures in connection with the incorporation of PSPL have been duly made to BSE Ltd. in accordance with the SEBI (LODR) Regulations, 2015.

The financial details of the subsidiary are included in the Notes to the Consolidated Financial Statements forming part of this Annual Report. The Company does not have any material subsidiary or associate company as defined under applicable regulations.

The Company does not have any material subsidiary, however, the Company has formulated a policy for determining material subsidiary(ies) and such policy has been disclosed on the Company's website and can be accessed at: https://www.mafatlals.com/investors/

In accordance with the provisions of Section 129(3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries has been annexed in the prescribed **Form AOC-1.**

The audited financial statements of the subsidiaries of the Company for the financial year ended March 31, 2025, have been made available on the Company's website at: www.mafatlals.com/investors.

These documents are open for inspection by any member at the Registered Office of the Company on all working days (Monday to Friday) between 3:00 p.m. and 5:00 p.m. The Company will also provide copies of the said documents to any member upon request.

The Company does not have any joint ventures or associate companies during the year or at any time after the closure of the year and till the date of the report.

As reported last year, Al Fahim Mafatlal Textiles LLC (UAE) (JV Company) remained non-operational and since there is no foreseeable beneficial future, the Board of Directors of the Company and the JV Partner have consented for voluntary winding up/ closure of that entity. The Company has also written to the Ministry of Commerce, Department of Economic Development, Dubai that there has been no operation of the said JV Company since 2016 and accordingly, the Company has not applied for renewal of license to continue to operate the business there. The audited accounts of that JV Company are not consolidated with the Accounts of the Company from 2018-19 onwards. Other than as disclosed herein, there is no company that has ceased to be subsidiary, associate or joint venture of the Company during the financial year. The statement containing salient features of the financial statement of subsidiary company (Pursuant to the first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014) is further annexed as part of the Notes forming a part of the Consolidated Financial Statement as **FORM AOC-1.**

DEPOSITS

The Company has neither accepted nor renewed any deposits during the financial year ended on March 31, 2025, and as such, does not hold any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no disclosure or reporting is required in respect of deposits under the said provisions.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company for the financial year ended on March 31, 2025, to the date of the signing of the Directors' Report.

INTERNAL FINANCIAL CONTROL (IFC)

The existing IFCs are adequate and commensurate with the nature, size, and complexity of the business and business processes followed by the Company. The Company has a well laid down framework for ensuring adequate internal controls over financial reporting.

AUDIT TRAIL AND DATA BACK UP

Based on the examination, the Management confirms that the Company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available in case of modification with certain specific functionality in the application and for direct database changes. Further, the Company has not noticed any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled. Further, the audit trail, to the extent maintained in the prior year, has been preserved. Further, the Company has also implemented practices for daily backups of the entire database and application in remote locations.

SHARES LYING IN UNCLAIMED SUSPENSE ACCOUNT IN ELECTRONIC MODE

As of March 31, 2025, a total of 915 equity shares have been transferred to the Unclaimed Share Suspense Account in accordance with Regulation 39(4) read with Schedule VI of the SEBI (LODR) Regulations, 2015.

The voting rights on these shares shall remain frozen until the rightful owners claim their shares. Shareholders entitled to these shares may claim them by following the procedure prescribed under the applicable laws and regulations.

SUCCESSION PLAN

The Company has an effective mechanism for succession planning focusing on the orderly succession of Directors, Key Management Personnel, and Senior Management. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board.

FAMILIARIZATION PROGRAMMES FOR THE INDEPENDENT DIRECTORS

The Company conducts familiarization programmes for its Independent Directors to provide insights into the nature of the industry in which the Company operates, as well as its business model. These programmes are designed to enable the Directors to perform their roles effectively and contribute meaningfully to Board deliberations.

In addition, the Directors are periodically updated on significant regulatory developments, including amendments to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particularly those pertaining to their roles, rights, and responsibilities.

There is also regular interaction between the Independent Directors and the Key Managerial Personnel (KMPs) to ensure a deeper understanding of the Company's operations and key strategic initiatives.

The details of the familiarization programme are available on the Company's website at: https://www.mafatlals.com/investors/.

CODE FOR PREVENTION OF INSIDER TRADING

The Company has adopted a comprehensive Code of Conduct ('Code') to regulate, monitor, and report trading in its securities by designated persons and their immediate relatives, in line with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

The Code lays down detailed procedures to be followed by designated persons while trading in the Company's securities and while handling or sharing Unpublished Price Sensitive Information ('UPSI'). It includes provisions for maintaining a structured digital database, implementing a robust mechanism

Directors' Report (Contd.)

for the prevention of insider trading, and sensitising employees about the significance and confidentiality of UPSI.

Additionally, the Code incorporates a Code of Practices and Procedures for Fair Disclosure of UPSI, ensuring transparent and timely disclosure in accordance with regulatory requirements.

The Code is available on the Company's website at: https://www.mafatlals.com/investors/.

INDUSTRIAL RELATIONS

The relationship between the employees and management remained cordial and harmonious throughout the financial year under review. As of March 31, 2025, the Company had 1,043 permanent employees on its payroll, compared to 1,216 in the previous financial year.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Mafatlal Industries Limited, a part of the Arvind Mafatlal Group, has been deeply committed to its social responsibilities, long before CSR became a statutory obligation. The Company's initiatives traditionally focus on poverty alleviation, healthcare, early childhood education, and the empowerment of women, particularly in rural India.

In compliance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee comprising the following members:

- Mr. Hrishikesh A. Mafatlal – Chairman
- Mr. Atul K. Srivastava – Member
- Mr. Sujal A. Shah – Member

Based on the recommendations of the CSR Committee, the Board of Directors has adopted a CSR Policy that reflects the Group's philosophy and commitment to meaningful social impact. The Policy outlines the guiding principles, implementation mechanisms, and focus areas for CSR initiatives in accordance with statutory requirements. The CSR policy of the Company is available on its website at: https://www.mafatlals.com/investors/

In accordance with Section 135 of the Companies Act, 2013, the Company's CSR spending obligation is determined based on the calculation of net profits under Section 198 of the Companies Act, 2013. For 2024-25, the Company continues to have accumulated losses and accordingly, there is no statutory obligation to spend 2% of the average net profits of the preceding three financial years on CSR activities.

However, in line with the Arvind Mafatlal Group's enduring commitment to social welfare, the Company voluntarily contributed ₹ 40 Lakhs towards various CSR initiatives during the year. To ensure effective implementation of the CSR Policy, review and approve the CSR Annual Action Plan, the CSR Committee convened two meetings during 2024-25, held on May 6, 2024, and October 25, 2024.

The statutory disclosures required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this Report as **Annexure E** and form an integral part of the Board's Report.

RELATED PARTY TRANSACTIONS

All related party transactions entered into by the Company during the financial year were conducted at arm's length and in the ordinary course of business, in compliance with applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

There were no materially significant related party transactions with Promoters, Directors, Key Managerial Personnel, subsidiary companies, or other designated persons that could potentially conflict with the interest of the Company at large.

Further, none of the related party transactions during the year required approval from the shareholders under applicable regulations.

In accordance with Regulation 23(2)(c) of the SEBI (LODR) Regulations, 2015, the Company has obtained prior approval from the Audit Committee for all related party transactions involving its subsidiary companies where the Company itself is not a party, and which fall within the specified threshold limits.

The Policy on Related Party Transactions, as approved by the Board of Directors, is available on the Company's website at: https://www.mafatlals.com/investors/

The details of all related party transactions undertaken during the financial year 2024–25 are disclosed in the Notes to the Financial Statements and also provided in the prescribed format in **Form AOC-2,** annexed to this Report as **Annexure A.**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT, CORPORATE GOVERNANCE REPORT

As required under Schedule V (B) and (C) of the SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report as well as the Corporate Governance Report are attached herewith and marked as **Annexure I and II** respectively and the same forms the part of this Directors' Report.

OTHER STATUTORY DISCLOSURES

(a) Number of Board Meetings

The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms a part of this Report.

(b) Committees of Board

Details of the various committees constituted by the Board of Directors, as per the provisions of the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, are provided in the Corporate Governance Report which form a part of this Report.

(c) Vigil Mechanism/Whistle Blower Policy

The Company believes in conducting the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behaviour. In line with this, the Company has adopted a Whistle Blower Policy and established an appropriate vigil mechanism to enable employees and Directors to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct, without fear of retaliation.

The mechanism provides for direct access to the Chairman of the Audit Committee and it is confirmed that no person has been denied such access during the financial year.

The Whistle Blower Policy is available on the Company's website at: www.mafatlals.com/investors/ .

(d) Significant and Material Orders Passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators or Courts or Tribunals, which would impact the going concern status and the Company's operations.

(e) Annual Return

The Annual Return of the Company as on March 31, 2025, is available on the website of the Company at www.mafatlals.com/investors/.

(f) Disclosures Under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has put in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, read with other applicable provisions. Internal Complaints Committees are constituted and regularly redress complaints, if any. During the financial year under review, no complaints were received with regard to sexual harassment from any employee of the Company and necessary disclosure for the same has been given to the concerned Government departments for respective locations.

(g) Insurance

The Company has taken appropriate insurance for all assets against foreseeable perils. In line with the requirements of Regulation 25(10) of the SEBI (LODR) Regulations 2015, the Company has in place a directors and officers liability insurance policy.

(h) Secretarial Standards

The Company has established appropriate systems to ensure compliance with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Board affirms that these systems are adequate and are operating effectively to ensure consistent adherence to the prescribed standards.

All applicable Secretarial Standards (SS) have been complied with by the Company during the financial year.

(i) Risk Evaluation and Management

Business Risk Evaluation and Management is an ongoing process embedded within the Company's operations. The Company has established a comprehensive risk management framework designed to identify, assess, monitor, and mitigate risks, while also recognizing and leveraging potential business opportunities.

In accordance with Regulation 21(5) of the SEBI (LODR) Regulations, 2015, the constitution of a Risk Management Committee is mandatory for the top 1,000 listed entities based on market capitalization as at the end of the immediate previous financial year. As the Company does not fall within this threshold, the said provision is not applicable to the Company.

(j) Policies

During the financial year under review, the Board of Directors of the Company reviewed all changes and adopted applicable policies to comply with the recent amendments in the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

Accordingly, the updated policies are available on the Company's website at https://www.mafatlals.com/investors/.

(k) Cyber Security

The Company has established cyber security and crisis management policies to prevent cyber threats and manage incidents pertaining to cybersecurity and data privacy effectively. It also tracks emerging practices and technologies to enhance the security of IT systems and infrastructure on a continuous basis.

(l) No proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

(m) No shares with differential voting rights and sweat equity shares have been issued. All equity shares issued by the Company carry equal voting rights.

(n) There has been no change in the nature of business of the Company.

(o) As there was no buyback of shares during the year, the Company has nothing to disclose with respect to buyback of shares.

AUDITORS

I. Statutory Auditors

Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s. Price Waterhouse Chartered Accountants LLP (Firm registration No.012754N/N500016) were re-appointed as statutory auditors of the Company for a period of five years by the members of the Company at the 108th Annual General Meeting (AGM). Their appointment is effective from the conclusion of the 108th AGM till the conclusion of the 113th AGM, which will be held in 2027.

The Company received written consent and a certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, from M/s. Price Waterhouse Chartered Accountants LLP. They confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the SEBI (LODR) Regulations, 2015. M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, (Firm registration No.012754N/N500016) issued Auditor's Report for the financial year ended on March 31, 2025 and there were no qualifications in Auditors' Report.

II. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules framed thereunder, the Company appointed Mr. Umesh Ved, M/s. Umesh Ved & Associates, Practising Company Secretaries, Ahmedabad (FCS No.: 4411, COP No.: 2924 Peer Review No.: 766/2020) to conduct the Secretarial Audit for 2024-25. The Secretarial Audit Report is annexed to this Report as **Annexure – III** and forms an integral part of the

Board's Report. The Report does not contain any qualifications, reservations, or adverse remarks.

In accordance with Regulation 24A of the SEBI (LODR) Regulations, 2015, as amended in 2024, listed entities are required to appoint a peer-reviewed Secretarial Auditor for a term of five consecutive years. Such appointment shall be based on the recommendation of the Audit Committee and approval of the Board of Directors and shall be subject to the approval of members at the Annual General Meeting.

In compliance with the above requirements, the Board of Directors of the Company, at its meeting held on May 13, 2025, upon the recommendation of the Audit Committee, approved the appointment of Mr. Umesh Ved, M/s. Umesh Ved & Associates, Practicing Company Secretary Ahmedabad, as the Secretarial Auditor of the Company for a first term of five consecutive financial years commencing from FY 2025-26 to FY 2029-30, subject to the approval of the members at the ensuing 111th Annual General Meeting of the Company.

The Company has received a certificate from Mr. Umesh Ved confirming his eligibility and consent to act as the Secretarial Auditor, in accordance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

III. Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013, read with the relevant rules made thereunder, the maintenance of cost records is applicable to the Company's 'Textiles' products. Accordingly, the Company has duly maintained the requisite cost accounts and records as prescribed.

The cost audit for the financial year 2023-24 was completed in a timely manner, and the Cost Audit Report, along with the requisite data in the prescribed Form CRA-4, was duly filed with the Ministry of Corporate Affairs (MCA) within the stipulated timeline.

For the financial year 2024-25, the cost audit of the Company's 'Textiles' segment is being carried out by M/s. B. Desai & Co. (Firm Registration No. 005431), Cost Auditors, in accordance with applicable provisions. The Cost Audit Report for the financial year 2024-25 will be submitted to the MCA on or before the due date, after it is reviewed and approved by the Board of Directors.

Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 13, 2025, has re-appointed M/s. B. Desai & Co. as the Cost Auditors of the Company for the financial year 2025-26, for auditing the cost records relating to the 'Textiles' products.

The Audit Committee has received a certificate from the Cost Auditors confirming their independence and eligibility to act as Cost Auditors under applicable laws.

The Board of Directors has approved a remuneration of ₹ 4,75,000/- (Rupees Four Lakhs Seventy-Five Thousand only) plus applicable taxes, and reimbursement of out-of-pocket expenses actually incurred for the purpose of the audit for the financial year 2025-26.

As required under the provisions of Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditors is being placed before the Members for ratification at the 111th Annual General Meeting of the Company.

IV. Internal Auditor

M/s. Aneja Assurance Pvt. Ltd., a reputed internal audit firm of Mumbai, conducted the Internal Audit of the Company for the financial year 2024-25. Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 13, 2025, appointed M/s. Aneja Assurance Pvt. Ltd. as the Internal Auditors of the Company for the financial year 2025-26.

The Audit Committee, in consultation with the Internal Auditors, determines the scope, functioning, periodicity, and methodology for conducting the internal audit to ensure effective evaluation and monitoring of internal controls and processes across the organization.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is enclosed as **Annexure - B** and forms part of this Report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is enclosed as **Annexure - C** and forms a part of the Report.

APPRECIATION

The Board of Directors places on record its sincere appreciation for the dedicated efforts and commitment of the Company's workers, staff and officers, whose continued contribution has been instrumental in the Company's performance.

The Directors also extend their gratitude to the Company's customers, business associates, bankers, government departments, regulatory authorities, service providers, suppliers and shareholders for their steadfast support and cooperation during the year.

For and on behalf of the Board of Directors,

Mafatlal Industries Limited,

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

Annexure-A

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) Of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of the Related Party Transactions of Mafatlal Industries Limited for the financial year ended on March 31, 2025

1 Details of contracts or arrangements or transactions not at an arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transaction	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the Ordinary Resolution was passed in general meeting as required under the first proviso to section 188
NIL								

2. Details of material contracts or arrangements or transactions at arm's length basis for the financial year ended on March 31, 2025

(₹ In Crores)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions, including the value, if any	Date(s) of approval by the Audit Committee and Board	Amount paid as advances, if any
1.	Sumil Trading Private Limited (Formerly known as Sumil Holdings Private Limited) (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	0.05	March 28, 2024	Nil
2.	Sumil Trading Private Limited (Formerly known as Sumil Holdings Private Limited) (Promoters and promoter groups are interested)	Availing and/ or rendering service such as car and vehicle rent providing services/office facilities/common facilities etc., payment/receipt of leave and license fees for using the Company's premises by Sumil as office space for Registered Office and Corporate Office and company using office premises of Sumil for its business activities.	Arrangement towards leave and licence fees and payment of car rent on actual basis.	0.25	March 28, 2024	Nil
3.	Intensive Clothing Care Unit (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	0.85	March 28, 2024	Nil
4.	NOCIL Limited (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	0.02	March 28, 2024	Nil
5.	NOCIL Limited (Promoters and promoter groups are interested)	Dividend	Dividend received against investment in shares.	7.58	March 28, 2024	Nil
6.	Vrata Tech Solutions Private Limited (Promoters and promoter groups are interested, KMP [CFO] is Director in the Company)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party	0.97	March 28, 2024	Nil

Annexure-A (Contd.)

(₹ In Crores)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions, including the value, if any	Date(s) of approval by the Audit Committee and Board	Amount paid as advances, if any
7.	Vrata Tech Solutions Private Limited (Promoters and promoter groups are interested, KMP [CFO] is Director in the Company)	Leave and license fees for using the Company's premises as office space for Registered Office and Corporate Office.	License and utilities fees charged should not be less than the cost of MIL charged to unrelated parties.	0.02	March 28, 2024	Nil
8.	Mafatlal Services Limited (Subsidiary Company and Promoters and promoter groups are interested, KMP [CFO] is Director in the Company)	Financial Transactions including in the nature of providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Continuing arrangement towards payment of utility and/ or service charges cost /fees apportionment.	0.14	March 28, 2024	Nil
9.	MAF Technologies Private Limited (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	0.01	March 28, 2024	Nil
10.	Wecare Meditex Private Limited (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	-	March 28, 2024	Nil
11.	Cozee Hosiery and Knitting LLP (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party.	0.02	March 28, 2024	Nil
12.	Shriaan Trading LLP (Promoters and promoter groups are interested)	Financial Transactions including in the nature of sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses.	Arrangements comparable with other unrelated party	0.79	March 28, 2024	Nil
13.	Indivar Foundation (Promoters and promoter groups are interested)	Receipt of leave and license fees for using the Company's premises as office space for carrying out its business activities.	Arrangements comparable with other unrelated party.	0.05	March 28, 2024	Nil
14.	Vrata Ventures Trading LLC (Promoters and promoter groups are interested)	Sales, purchase, or supply of any goods and material	Arrangements comparable with other unrelated party.	-	September 11, 2024	Nil
15.	Vigil Juris (Independent Director Mr. P. N. Kapadia is interested)	Legal and advisory fees.	Legal and professional charges.	0.08	March 28, 2024	Nil
16.	Mafatlal Gagalbhai and Sons and the associated concern's employee's- Provident fund. (Employees of the Company are trustee)	Post employment benefit plan for the employees of the Company.	Employees benefit trust.	2.12	March 28, 2024	Nil
17.	Mafatlal Gagalbhai and Sons and the associated concern's employee's-Superannuation Scheme (Employees of the Company are trustee)	Post employment benefit plan for the employees of the Company.	Employees benefit trust	0.35	March 28, 2024	Nil
18.	Mafatlal Gagalbhai and Sons and the associated concern's employee's- Gratuity fund (Employees of the Company are trustee)	Post employment benefit plan for the employees of the Company.	Employees benefit trust	5.64	March 28, 2024	Nil

Annexure-A (Contd.)

(₹ In Crores)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions, including the value, if any	Date(s) of approval by the Audit Committee and Board	Amount paid as advances, if any
19.	Pieflowtech Solutions Private Limited (PSPL) (Subsidiary Company and employees of the Company are Directors)	Receipt of leave and license fees for using the Company's Ahmedabad (R.O.) premises as Registered Office and Mumbai (Corporate Office) premises for carrying out its business activities.	Arrangements comparable with other unrelated party.	0.02	September 11, 2024	Nil
20.	Pieflowtech Solutions Private Limited (PSPL) (Subsidiary Company and employees of the Company are Directors)	Sales/purchase of goods, materials, providing/availing of services such as consultancy services, software licenses and uses fees, royalty income to use 'Mafatlal Industries Limited' Trademark and logo and reimbursement of expenses.	Arrangements comparable with other unrelated party.	0.45	September 11, 2024	Nil
21.	Jitendra Pradhan (Employee of the Company and shareholder of subsidiary Company PSPL)	Payment of consultancy and advisory fees.	On basis of professional expertise and experience.	0.27	September 11, 2024	Nil
22.	Apexpie Technologies Private Limited (Subsidiary Company's promoters are substantial shareholders and Directors)	Sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses. Payment of the software license and uses fees.	Arrangements comparable with other unrelated party.	0.87	September 11, 2024	Nil
23.	Vridhee Innovations Private Limited (Subsidiary Company's promoters are substantial shareholders and Directors)	Sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses. Payment of the software license and uses fees.	Arrangements comparable with other unrelated party.	0.47	September 11, 2024	Nil
24.	Vrata Ecorenew Energy LLP (Promoters and promoter groups are interested)	Receipt of leave and license fees to use the Company's Corporate Office, Mumbai as a registered office and use Nadiad unit of the Company as manufacturing unit.	Arrangements comparable with other unrelated party.	0.01	October 26, 2024	Nil
25.	Vrata Trading Private Limited (Promoters and promoter groups are interested)	Receipt of leave and license fees for using the Company's Mumbai (Corporate Office) Premises as Registered Office.	Arrangements comparable with other unrelated party.	0.02	September 11, 2024	Nil
26.	Vrata Trading Private Limited (Promoters and promoter groups are interested)	Sales/purchase of goods, materials, providing/availing of services. Reimbursement of expenses payment or recovery of expenses. Payment of the software license and uses fees.	Arrangements comparable with other unrelated party.	-	September 11, 2024	Nil
27.	N M Sadguru Water and Development Foundation (NMSWDF)#	Donation under CSR	Donation as per CSR Policy	0.10	NA#	Nil
28.	Shri Chaitanya Health and Care Trust (SCHCT)#	Donation under CSR	Donation as per CSR Policy	0.30	NA#	Nil

Mr. H. A. Mafatlal serves as a member of the Board of Trustees of the N. M. Sadguru Water and Development Foundation. He also holds the position of Chairman of the Shri Chaitanya Health Care Trust. Mr. P. H. Mafatlal is a trustee of the Shri Chaitanya Health Care Trust. Both Mr. H. A. Mafatlal and Mr. P. H. Mafatlal have no beneficial interest, direct or indirect, in either of the entities.

Note: All Related Party Transactions were done with the prior approval of the Audit Committee and the Board.

Statements pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the financial year ended March 31, 2024.

Annexure-B

Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Out go pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014:

I. CONSERVATION OF ENERGY

A) ENERGY CONSERVATION MEASURES TAKEN:

- Adopted and implemented a regular maintenance schedule to reduce energy consumption.
- Adopted the practice of lowering the machine run during downtime to conserve energy.
- Reduced Maximum demand for MGVCL power from 4,750 KVA to 4,000 KVA from January 2025 till date saved ₹ 6.46.
- Conducted continuous energy audits and ensured proper maintenance and management of steam trap with the help of engineering teams at the plant, which reduced the wastage of thermal energy.
- Installed 2 nos. kier decatising mc, 4 nos. Jet dyeing, 1 Ager mc, and 1 dyeing soaper exclusively for Suiting process.
- Installed VFD on colony borewell for saving energy and water.
- Biofuel usage continued to reduce dependency on coal consumption.
- Specific energy cost has reduced from ₹ 13.66 /MT. to 12.73/MT.

B) ADDITIONAL INVESTMENTS AND PROPOSALS, IF ANY, BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY:

i. Investments proposals for the financial year 2025-26

- The Company is seeking better energy solutions like solar energy and greenfield which could reduce dependence on coal and electricity.
- The Company will proactively work towards a replacement of legacy equipment to reduce energy losses.

ii. Impact of the Measures at (A) & (B) above for Reduction of the Energy Consumption and Consequent Impact on the Cost of Production of Goods

Nil impact

C) PARTICULARS WITH RESPECT TO ENERGY CONSUMPTION PER UNIT OF PRODUCTION:

Particulars	2024-25	2023-24
1. Electricity		
a) Purchased units KWH in Lakh	111.84	170.54
b) Total amount (₹ in Crores)	11.39	17.64
c) Rate/unit (₹/KWH)	10.18	10.341
2. Coal and Lignite		
a) Quantity (in MT)	39,037	40,493
b) Total cost (₹ in Crores)	23.26	26.47
c) Cost/MT	5,959.47	6,536.93

Annexure-B (Contd.)

D) CONSUMPTION PER UNIT OF PRODUCTION

Particulars	2024-25	2023-24
Electricity (KWH)	0.66	0.79
Coal and lignite (Kg)	1.38	1.19

II. TECHNOLOGY ABSORPTION

A) INFORMATION REGARDING TECHNOLOGY IMPORTED DURING LAST 3 YEARS

a) Technology imported	N.A.
b) Year of import	N.A.
c) Has technology been fully-absorbed	N.A.
d) If not fully-absorbed, not taken place, reasons therefor and plans of action	N.A.

B) EXPENDITURE ON R&D

(₹ in Crores)

Details	2024-25	2023-24
a) Capital expenditure	-	-
b) Recurring expenditure	1.09	0.94
Total	**1.09**	**0.94**
(a) Total R&D expenditure as a % of total turnover	**0.04%**	**0.05%**

III. FOREIGN EXCHANGE EARNING AND OUTGO:

(A) Activity relating to exports initiatives taken to increase exports, development of new export markets for products and services, and export plans:

Efforts are on to expand reach into the markets like Middle East, Europe, Africa, and the US and other countries.

(B) Total foreign exchange used and earned:

(₹ in Crores)

Details	2024-25	2023-24
Total foreign exchange used	0.46	2.47
Total foreign exchange earned	30.01	33.24

For and on behalf of the Board of Directors
Mafatlal Industries Limited

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

Annexure-C

DISCLOSURES UNDER SECTION 197 (12) AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED:

I. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for 2024-25:

Sr. No.	Directors	Remuneration/ Sitting Fees (₹ In Crores)	Median Remuneration (₹ In Crores)	Ratio *
1.	Mr. Hrishikesh A. Mafatlal - Chairman	Nil	0.06	NA
2.	Mr. Priyavrata H. Mafatlal - Managing Director	3.26	0.06	54.3
3.	Mr. Atul K. Srivastava	0.12	0.06	2.0
4.	Mr. Vilas R. Gupte, till August 4, 2024	0.04	0.06	0.7
5.	Mr. Pradip N. Kapadia, till August 4, 2024	0.04	0.06	0.7
6.	Mrs. Latika P. Pradhan, till April 16, 2025	0.10	0.06	1.7
7.	Mr. Gautam G. Chakravarti	0.13	0.06	2.2
8.	Mr. Sujal A. Shah	0.11	0.06	1.8
9.	Mr. Ashutosh S. Bishnoi, from May 27, 2024	0.07	0.06	1.2
10.	Mr. Abhay R. Jadeja, from May 27, 2024	0.08	0.06	1.3
11.	Mr. Jyotin K. Mehta, from October 26, 2024	0.04	0.06	0.7
12.	Dr. Archana N. Hingorani, from February 4, 2025	0.04	0.06	0.7
13.	Mr. Desh Deepak Khetrapal, from February 4, 2025	0.04	0.06	0.7

*The ratio is considered comparing median remuneration of all employees (MC & NMC) with the remuneration paid to Directors. Mr. Hrishikesh A. Mafatlal, Chairman has voluntarily waived his remuneration for the financial year 2024-25.

- The Non-Executive Independent Directors were paid sitting fees only for attending Meetings of the Board and Committees thereof for 2024-25 at the rate ₹ 70,000/- per meeting and allowance as per Company policy.
- The Company has considered the management cadre employees and non-management cadre staff employees' remuneration while calculating the median remuneration and accordingly provided the details.

I.	Percentage increase in remuneration of each Director, CEO, CFO, and CS in the financial year 2024-25	The remuneration increase given to MD: 26%, CEO: 20%, CFO: 7% & CS: 10%. There is no increase in sitting fees of Non-Executive Directors.
II.	Percentage increase in median remuneration of employees in the financial year	9.87% (3.30% in previous year)
III.	The number of permanent employees on the rolls of the Company	1,043 against last year count of 1216
IV.	Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year, and its comparison with the percentile increase in the managerial remuneration and justification thereof and whether there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in the salaries of employees is 8.03% (8.35% in previous year)
V.	It is affirmed that the remuneration paid is as per the remuneration policy of the Company.	

Annexure-C (Contd.)

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. Employed for the entire financial year under review and were in receipt of remuneration of not less than ₹ 1,02,00,000 p.a.

#	Name and Designation	Remuneration Received in (Crores)$	Nature of employment	Qualification	Experience (In Years)	Date of Joining	Age	Last employment held before the joining of the Company	% Equity Share Held	Relative of any of Director
1.	Mr. M. B. Raghunath, CEO	2.98	Employee	Bachelor's degree in Physics, MBA- Mktg from NMMIS-Mumbai	More than 39 years	April 1, 1995	59 years	Berger Paints	3,94,000 (0.55%)	No
2.	Mr. Milan P. Shah, CFO	2.37	Employee	B. Com, CA, CS	More than 40 years	September 17, 2015	65 years	Arvind Limited	1,77,000 (0.24%)	No
3.	Mr. Priyavrata H. Mafatlal, MD	3.26	Managing Director	M.Com, 3-tire Management Programs at IIM, Ahmedabad, Fashion Business Courses, London, (UK)	More than 17 years	November 1, 2016	38 years	N.A.	500 (0.00%)	Yes, Son of Mr. H. A. Mafatlal, Chairman

$ Including performance linked incentive.

B. Employed for the part of the financial year under review and were in receipt of remuneration of not less than ₹ 8,50,000 per month

#	Name and Designation	Remuneration Received in ₹ (Crores)	Nature of employment	Qualification	Experience (In Years)	Date of Joining	Age	Last employment held before the joining of the Company	% Equity Share held	Relative of any of Director
Not Applicable										

$ Remuneration includes salary, allowances, perquisites, contribution to Provident Fund, Superannuation Fund, leave encashment and retirement benefits including of gratuity, among others, in case of employees who have resigned/ retired, but excluding perquisite value of ESOPs.

C. Details of top ten employees in terms of remuneration drawn as on March 31, 2025, will be made available for inspection at the registered office of the Company. Any member interested in obtaining such particulars may write to Company Secretary of the Company.

D. None of the employees are drawing remuneration in excess of that drawn by the Managing Director and does not hold by himself/ herself or along with his/her spouse and dependent children more than two percent (2%) of the equity shares of the Company.: **Refer Clause A for details.**

Annexure-D

DISCLOSURE REQUIRED PURSUANT TO REGULATION 14 OF SEBI (SHARE-BASED EMPLOYEE BENEFITS) REGULATIONS, 2014:

Disclosures by the Board of Directors

The Board of Directors confirms that there is no change made in the Mafatlal Employee Stock Option Scheme 2017.

A. Relevant disclosures in terms of the Guidance Note on 'Accounting for Employee Share-Based Payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Please refer to Note No. 38 under Notes to Accounts in financial statement.

B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 (Ind AS 33) - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.

Please refer to Note No. 46 under Notes to Accounts in financial statement.

C. Details related to ESOP

i. A description of each ESOP that existed at any time during the financial year, including the general terms and conditions of each ESOP etc:

The shareholders of the Company at 103rd Annual General Meeting held on August 2, 2017 approved creation of 34,75,000 of ₹ 2/- per equity share (6,95,000 of ₹ 10/- per equity share) employee stock options pool under Mafatlal Employee Stock Option Scheme - 2017 by way of a Special Resolution. The Board of Directors of the Company had, as per the recommendation of the Nomination & Remuneration Committee (NRC) approved the Mafatlal Employees Stock Option Scheme - 2017, which is compliant with the applicable provisions and there has been no change made so far in the said scheme.

Particulars	First Grant	Second Grant	Third Grant	Fourth Grant
Date of the option granted by Nomination and Remuneration Committee (NRC)	November 10, 2017	August 1, 2019	May 27, 2022	May 27, 2024
No. of equity shares granted after adjustment of subdivision of shares ₹ 2/- each	6,90,000	15,90,000	16,00,000	3,55,000
Exercise price of each share after adjustment of subdivision of shares ₹ 2/- each	₹ 64.54	₹ 15.73	₹ 36.20	₹ 131.15
Options have expired and lapsed	5,71,000	5,10,000	1,54,000	N.A.*

Balance shares are available under the Mafatlal ESOP-2017, 4,75,000 as on May 13, 2025

*Vesting on 1st anniversary of the grants exercise (i.e. after May 27, 2025).

ii. The other disclosures are as follows:

a.	Date of shareholders' approval	August 2, 2017
b.	Total number of options approved under ESOS	34,75,000 Equity shares of ₹ 2/- each
c.	Vesting requirements	The first grant (2017) of options was approved with progressive vesting of 15%, 20%, 30%, and 35% on every anniversary of the vesting. The second grant (2019), the vesting would be 100% on completion of first anniversary of the grant. The third grant (2022), the vesting would be 100% on completion of first anniversary of the grant. The fourth grant (2024), the vesting would be 100% on completion of first anniversary of the grant.

Annexure-D (Contd.)

d.	Exercise price or pricing formula: (₹) (after sub-division adjustment in price)	The first grant, 2017: ₹ 64.54 The second grant, 2019: ₹ 15.73 The third grant, 2022: ₹ 36.20 The fourth grant, 2024: ₹ 131.15
e.	Maximum term of options granted	5 years (1 year vesting and 4 years exercise period)
f.	Source of shares (primary, secondary, or combination)	Primary
g.	Variation in terms of options	None
h.	Method used to account for ESOS – Intrinsic or fair value	Fair value

iii. Option movement during the financial year 2024-25 (For Each ESOP) (Face value of ₹ 2/- each):

Number of options granted (includes options unvested) and outstanding at the beginning of the period	8,18,000
Number of options granted during the financial year	3,55,000
Number of options lapsed/forfeited during the financial year (due to resignations)	1,11,500
Number of options exercisable during the financial year	8,18,000
Number of options vested during the financial year	-
Number of options exercised during the financial year	4,07,500
Number of shares arising as a result of exercise of options	4,07,500
Money realized by exercise of options (₹), if scheme is implemented directly by the Company	₹ 1,45,05,860
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the financial year (includes options unvested)	6,54,000
Number of options exercisable at the end of the financial year	2,99,000

iv. Weighted average exercise price and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than market price of the stock:

Please refer to Note No. 38 under Notes to Accounts in financial statement.

v. a. Employee wise details of options granted during the financial year 2024-25:

Sr. No.	Name of employees	Total No of Options granted (equity share of ₹ 2/- each)
1.	Mr. Anis Sindhi	25,000
2.	Mr. Rajesh Hegde	25,000
3.	Mr. Balasaheb Bongane	25,000
4.	Mr. Bharat Patel	25,000
5.	Mr. Umesh Koradia	25,000
6.	Mr. Akhlesh Singh Tomar	25,000
7.	Mr. Dilip Acharya	25,000
8.	Mrs. Kavita Unarkat	25,000
9.	Mrs. Subhangi Mehta	25,000
10.	Mr. Brijesh Tiwari	25,000
11.	Mr. Amish Kumar Shah	25,000
12.	Mr. Jignesh Patel	20,000
13.	Mr. Anil Pawar	20,000
14.	Mr. Varun Giri	20,000
15.	Mr. Prashant Choudhary	20,000

Annexure-D (Contd.)

b. Details of options granted to Senior Managerial Personnel outstanding/in force at the end of the financial year: 2024-25

Sr. No.	Name of employees	Total No of Options granted (equity share of ₹ 2/- each)
1.	Mr. M.B. Raghunath	1,55,000
2.	Mrs. Smita Jhanwar	10,000
3.	Mr. Vatsal Sheth	30,000
4.	Mr. Anish Pimputkar	16,500
5.	Mr. Akash Dhuri	40,000
6.	Mr. Anirudha Lad	47,500
7.	Mr. Anis Sindhi	25,000
8.	Mr. Bharat Patel	25,000
9.	Mr. Umesh Koradia	25,000
10.	Mr. Akhlesh Singh Tomar	25,000
11.	Mr. Dilip Acharya	25,000
12.	Mrs. Kavita Unarkat	25,000
13.	Mrs. Subhangi Mehta	25,000
14.	Mr. Brijesh Tiwari	25,000
15.	Mr. Amish Kumar Shah	25,000
16.	Mr. Rajesh Hegde	25,000
17.	Mr. Balasaheb Bongane	25,000
18.	Mr. Jignesh Patel	20,000
19.	Mr. Anil Pawar	20,000
20.	Mr. Varun Giri	20,000
21.	Mr. Prashant Choudhary	20,000

- Vesting Period: the options shall be vested at the end of one year from the date of grant
- Exercise Period: Any time during the period of 4 years from the date of grant.

c Any other employee who receives a grant in any one year of option amounting to 5% or more of the option granted during that year. **None**

d Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: **None**

vi. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

A certificate from the Secretarial Auditors certifying that the Mafatlal Employee Stock Option Plan 2017, has been implemented in accordance with the applicable SEBI Regulations and the Special Resolution passed by the members in 103rd AGM, is available on the website of the Company at www.mafatlal.com/investors

Further details are provided in the note no. 38 under Notes to Accounts standalone financial statement. This entire information is also available on the website of the Company at as a part of this 111th Annual Report.

For and on behalf of the Board of Directors,
Mafatlal Industries Limited

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

Annexure-E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-25

1. A Brief Outline of the Company's CSR Policy:

The Company framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. This policy, which encompasses the Arvind Mafatlal Group's and the Company's philosophy for describing its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large, is titled as the 'Mafatlal Industries Limited – Corporate Social Responsibility (CSR) Policy.'

This policy shall apply to all CSR initiatives and activities taken up at the various locations, as decided by the CSR Committee and/or the Board of Mafatlal Industries Limited (MIL) for the benefit of various segments of the society.

The Policy shall be further governed by the provisions of the Companies Act, 2013, the rules framed thereunder by the Ministry of Corporate Affairs i.e., the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time) and other statutory provisions governing the matter. The CSR policy of the Company is available at www.mafatlals.com/investors/.

2. The Composition of CSR Committee:

The composition of the Committee is set out below:

Sr. No.	Name of Director	Designation/Nature of Directorship	CSR committee meetings during the financial year 2024-25		Total Number of CSR Committee meetings held during the financial year	Number of meetings of CSR Committee attended by the members during the financial year
			May 6, 2024	October 25, 2024		
1.	Mr. Hrishikesh A Mafatlal	Chairman (Promoter-Executive)	Yes	Yes	2	2
2.	Mr. Sujal A. Shah	Independent Director	Yes	Yes	2	2
3.	Mr. Atul K. Srivastava	Independent Director	Yes	Yes	2	2

Yes- Present | Not - Absent | NA - Not applicable

3. Provide the web-link where the composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

a) The composition of the CSR Committee is available on the website of the Company at www.mafatlals.com/investors/.

b) The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the website of the Company at www.mafatlals.com/investors/.

c) The CSR Projects approved by the Board and the same is available on the website of the Company at www.mafatlals.com/investors/.

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of subrule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable as the total CSR Expenditure is below 10 Crores.**

Annexure-E (Contd.)

5.

Sr. No.	Particulars	Amount (₹ in Crores)
a.	Average Net Profit of the Company as per Sub-section (5) of Section 135	(233.84)
b.	Two percent of average net profit of the Company as per sub- section (5) of Section 135	(4.68)
c.	Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
d.	Amount required to be set off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year (5b+5c-5d)	Nil

6.

Sr. No.	Particulars	Amount (₹ in Crores)
a.	Amount spent on CSR projects (both ongoing and otherwise)	
	Ongoing project	Nil
	Other than ongoing project	0.40 Refer to Annexure -I
b.	Amount spent in administrative overheads	Nil
c.	Amount spent on impact assessment, if applicable	Not applicable
d.	Total amount spent for the financial year (6a+6b+6c)	0.40

e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent in ₹				
	*Total Amount transferred to Unspent CSR Account as per Section 135(6)		*Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.40	Nil	NA	NA	Nil	NA

f. Excess amount for set off if any:

Sr. No.	Particulars	Amount in Crores (in ₹)
a.	Two percent of average net profit of the Company as per Section 135(5)	(4.68)
b.	Total amount spent for the financial year	0.40
c.	Excess amount spent for the financial year	0.40
d.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
e.	Amount available for set off in succeeding financial years [(c)+(d)]	0.40

Annexure-E (Contd.)

7. Details of Unspent CSR Amount for the Preceding Three Financial Years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance amount in unspent CSR Account under sub section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5), if any	Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency if any
1.	2021-22	NA	NA	NA	NA	NA	NA
2.	2022-23	NA	NA	NA	NA	NA	NA
3.	2023-24	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year – **NIL**

If yes, enter the number of Capital assets created/acquired – **NOT APPLICABLE**

Furnish the details relating to such assets (s) so created or acquired through CSR amount spent in the financial year - **NOT APPLICABLE**

9. Specify the reason(s) if the Company has failed to spend two percent of the average net profit as per Sub Section (5) of Section 135 - **NOT APPLICABLE**

ANNEXURE -I

During 2024-25, the Company undertook the following CSR activities.

Sr. No	Name of organization identified	Major activities of the organization	Amount in ₹ (in Crores)
1.	N M Sadguru Water and Development Foundation (NMSWDF)	Improve the livelihoods of rural and tribal people by developing environment-friendly land and water resources programs, improving agriculture ecosystems, arresting the distress of migration, enriching the socioeconomic status of farming communities, and striving for their overall development sustainably. The projects of the organization are spread across 21 districts in three states, including Rajasthan, Gujarat, and Madhya Pradesh. The organizations have head office in Village Chosala, Dahood, Gujarat, India. Mr. H. A. Mafatlal, is the Chairman of the of the NMSWDF.	0.10
2.	Shri Chaitanya Health and Care Trust (SCHCT).	Community welfare services such as: • Health awareness initiatives, including on hygiene and education • Integrated rural development initiatives on empowerment, livelihood and poverty alleviation. • Education and skill development initiatives. Mr. H. A. Mafatlal is the Chairman and Mr. P. H. Mafatlal is a trustee of SCHCT.	0.30

For Mafatlal Industries Limited

Hrishikesh A. Mafatlal
Chairman of CSR Committee
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

For Mafatlal Industries Limited

Priyavrata H. Mafatlal
Managing Director
(DIN 02433237)
Place: Mumbai
Date: May 13, 2025

Regd. Office:
Mafatlal Industries Limited
(CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, off. C. G. Road,
Navrangpura, Ahmedabad 380009.
Tel: 079 – 26444404-06
Email: ahmedabad@mafatlals.com Website: www.mafatlals.com

Management Discussion and Analysis

ANNEXURE I TO DIRECTORS' REPORT

OVERVIEW OF THE ECONOMY

The global economy in 2024–25 entered a phase of recalibration, characterized by moderating inflation amid the absence of a pronounced slowdown in major economies. Easing commodity prices and a synchronized shift towards monetary policy accommodation by several central banks provided a degree of stability. However, this period also reflected a settling into a lower growth trajectory, challenged by increasing policy uncertainty, intensifying trade fragmentation, retaliatory tariff measures, persistent geopolitical tensions, and subdued activity in several advanced economies.

This contributed to an improvement in economic growth, supported primarily by resilient consumer demand and increased government spending. In emerging markets, economic expansion was largely led by growth in the secondary and tertiary sectors, underpinned by sound macroeconomic fundamentals.

According to the International Monetary Fund (IMF), global GDP growth is expected to remain steady at 2.7% in both 2025 and 2026. Notably, India is anticipated to remain a key driver of global growth. IMF projections place India's GDP growth at a robust 6.7% for 2025, underscoring its sustained economic momentum despite a challenging global backdrop.

The Indian economy demonstrated remarkable resilience throughout the year, delivering strong growth amidst complex global dynamics such as geopolitical conflicts, trade disputes, financial market volatility, and tightening of external financial conditions. Looking ahead, the domestic economy is expected to maintain its strong growth trajectory, supported by a revival in consumption demand, sustained government focus on capital expenditure, and the continued strength of bank and corporate balance sheets. These positive indicators persist even as global uncertainties, including geopolitical tensions, supply chain disruptions, and volatile financial markets—remain a concern.

OVERVIEW OF THE BUSINESS AND OPPORTUNITIES

The Indian textile industry, one of the country's oldest sectors, remains a cornerstone of its cultural legacy and industrial strength. Over the decades, it has evolved into a fully integrated, globally competitive value chain, spanning fiber production, advanced spinning and weaving technologies, sophisticated processing, garment manufacturing, and a resilient export infrastructure. Today, the sector represents a unique fusion of tradition, innovation, and international reach, offering a diverse range of products tailored for both domestic and global markets.

Contributing approximately 2.3% to India's GDP, 13% to industrial production, and 12% to total exports, the textiles and apparel industry stands as a vital engine of economic growth and employment, supporting an estimated 45 Million livelihoods. In 2023–24, India's textile and apparel exports were valued at USD 35.9 billion, capturing 4.6% of global trade and ranking fourth globally, following China, Vietnam, and Bangladesh. Notably, India has emerged as the second-largest manufacturer of PPE and ranks fifth in the technical textiles market, reinforcing its growing stature in high-value segments.

The sector is undergoing transformative change, propelled by rapid technological advancement, shifting consumer preferences, and rising disposable incomes. Technical textiles — serving healthcare, construction, automotive, and defense industries — are redefining the industry's scope and opening new frontiers of growth. Government initiative continues to support the textile sector, the Union Budget 2025–26 reaffirmed this commitment with an allocation of ₹ 5,272 Crores; a 19% year-on-year increase for the Ministry of Textiles. In parallel, the Government's focus on expanding bilateral and free trade agreements is expected to create substantial new opportunities.

Public procurement, accounting for approximately 20% of India's GDP, continues to be a critical demand driver. Both central and state governments procure products such as fabrics, uniforms, hygiene products, and IT infrastructure, not only to meet operational needs but also to support broader social and developmental initiatives.

Key welfare programs that intersect with the sector's growth include:

- **Samagra Shiksha Abhiyan** (₹ 41,250 Crores) — Integrated school education, Management Discussion and Analysis (Contd.)

- **PM Schools for Rising India** (₹ 7,500 Crores) — Development of model schools,
- **Pradhan Mantri Uchchatar Shiksha Abhiyan** (₹ 1,560 Crores) — Higher education infrastructure enhancement,
- **Rashtriya Gram Swaraj Abhiyan** (₹ 1,063 Crores) — Strengthening e-governance in Panchayati Raj Institutions,
- **Menstrual Hygiene Initiatives** — Jan Aushadhi Suvidha Sanitary Napkins and Suvidha Scheme.

With its strong structural foundations, proactive policy environment, and growing global relevance, the Indian textile and apparel industry is well-positioned to harness emerging opportunities and reinforce its pivotal role in India's economic growth story.

COMPANY OVERVIEW

Mafatlal Industries Limited ('MIL' or 'the Company') is a diversified enterprise with primary operations across textiles and related products, digital infrastructure, and consumer durables. With a proud legacy of over 120 years, MIL stands as one of India's most respected names in textiles, built on a foundation of trust, excellence, and enduring relationships with customers, vendors, and stakeholders.

The Company's journey has been characterized by its ability to adapt to evolving market dynamics, a steadfast customer-centric approach, and a product-agnostic business model. These strengths enable MIL to operate with agility and responsiveness across a diverse range of market segments. Leveraging a robust pan-India supply chain, the Company is well-positioned to meet the needs of the rapidly growing middle-income consumer segment.

MIL's distribution network is strategically organized across three key channels:

- **Dealer and Retailer Network:** Serving the apparel needs of retail consumers and providing uniforms and personal hygiene products for students.
- **Direct-to-Business Channel:** Catering to corporate requirements for uniforms, workwear, and specialized clothing solutions.
- **Government and Institutional Procurement:** Supplying clothing, livelihood essentials, school uniforms, personal hygiene products, and creating EdTech infrastructure and services for various state governments and public sector initiatives.

During the year under review, MIL achieved a significant revenue growth of 33%, driven by the successful execution of large-scale public procurement orders, the continued reinforcement of its leadership in the uniform segment, an expanded and strengthened product portfolio, and the further enhancement of its nationwide supply chain capabilities.

PERFORMANCE REVIEW

The total revenue increased by 33%, reaching ₹ 2,845.30 Crores. Additionally, the earnings before interest, taxes, and depreciation and amortization EBITDA amounted to ₹ 106.53 Crores, compared to ₹ 109.38 Crores in the previous financial year.

(in ₹ Crores)

Particulars	March 31, 2025 Amount	March 31, 2025 % of Revenue	March 31, 2024 Amount	March 31, 2024 % of Revenue
Revenue from Operations	2,807.23	98.66%	2,078.41	97.02%
Other Income	38.07	1.34%	63.81	2.98%
Total Income	2,845.30	100.00%	2,142.22	100.00%
Cost of Material Consumed	138.24	4.86%	150.05	7.00%
Purchase of Stock-in-Trade	2,297.83	80.76%	1,556.12	72.64%
Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	(17.30)	(0.61%)	25.46	1.19%
Employee Benefit Expenses	58.93	2.07%	60.75	2.84%
Net Impairment Loss on financial assets	4.31	0.15%	9.17	0.43%

(in ₹ Crores)

Particulars	March 31, 2025 Amount	March 31, 2025 % of Revenue	March 31, 2024 Amount	March 31, 2024 % of Revenue
Other Expenses	256.76	9.02%	231.29	10.80%
Total Expenses	2,738.77	96.26%	2,032.84	94.89%
EBITDA	106.53	3.74%	109.38	5.11%
Finance Cost	10.96	0.39%	15.34	0.72%
Depreciation and Amortization	15.03	0.53%	15.00	0.70%
Profit Before Exceptional Item and Tax	80.54	2.83%	79.04	3.69%
Exceptional Item	(6.00)	(0.21%)	-	0.00%
Profit Before Tax	74.54	2.62%	79.04	3.69%
Net Tax Expenses	(23.60)	(0.83%)	(19.71)	(0.92%)
Profit for the Year	98.14	3.45%	98.75	4.61%

Change in Key Financial Ratios and Reasons Thereof

Ratios	2024-25	2023-24	Variance
Debtors' Turnover Ratio	5.01	4.49	11.58%
Inventory Turnover Ratio	31.68	22.33	41.87%
Interest Coverage Ratio	8.35	6.15	35.67%
Current Ratio	1.27	1.11	14.41%
Net Profit Margin (in %)	3.50	4.75	(26.42%)
Debt Equity Ratio (in times)	0.09	0.10	(10.00%)
Return on Net Worth (in %)	12.61	13.82	(8.71%)

During the financial year 2024-25, MIL's key financial ratios reflected improvement over the previous year. The Company's debtors' turnover ratio improved from 4.49 times in 2023-24 to 5.01 times in 2024-25, indicating improved liquidity and efficiency in collections. The inventory turnover ratio climbed from 22.33 times in 2023-24 to 31.68 times in 2024-25, due to increase in revenue indicating accelerated inventory movement and improved efficiency in inventory management processes. The interest coverage ratio for 2024-25 is 8.35 times. This demonstrates the Company's ability to meet its interest obligations more comfortably.

MIL's current ratio strengthened from 1.11 times in 2023-24 to 1.27 times in 2024-25, signaling stronger liquidity and operational efficiency, with more current assets to cover short term liabilities. Furthermore, the debt-to-equity ratio showed improvement, moving from 0.10 times in 2023-24 to 0.09 times in 2024-25, indicating effective management of debt levels and improved cash flow stability. MIL's net worth amounted to ₹ 741 Crores in 2024-25 compared to ₹ 815 Crores in 2023-24, reduction is due to change in fair value of FVOCI equity instruments.

REVENUE FROM OPERATIONS AND OTHER INCOME

The Company recorded a robust 35% year-on-year growth in revenue from operations during 2024–25, as compared to 2023–24. This strong performance was driven by the successful execution of large-scale consumer durable orders and the Company's continued leadership in the school and corporate uniform segments.

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA)

For 2024-25, MIL reported an EBITDA of ₹ 106.53 Crores, as compared to ₹ 109.38 Crores in 2023-24. It is noteworthy that the EBITDA for 2023-24 included a one-time gain of ₹ 38.2 Crores arising from the sale of investment properties and assets held for sale, whereas no such gains were recorded in 2024-25. Excluding the impact of these one-time profits, the Company demonstrated a significant improvement in its core operating profitability during the year under review.

Management Discussion and Analysis (Contd.)

DEBT MANAGEMENT

The Company continued to strengthen its balance sheet by reducing dependency over debt. During 2024-25, MIL repaid ₹ 17.16 Crores of long-term borrowings, comprising rupee-term loans, in line with its scheduled commitments. In addition, net short-term borrowings declined by ₹ 4.81 Crores. Borrowings were prudently maintained to ensure efficient working capital support for the Company's operations.

FINANCE COSTS

Finance costs for 2024–25 stood at ₹ 10.96 Crores, a marked improvement from ₹ 15.34 Crores in 2023–24. The reduction in finance costs is attributed to the repayment of long-term debt and the optimized utilization of working capital facilities.

DEPRECIATION

Depreciation expenses remained largely stable at ₹ 15.03 Crores in 2024–25, as compared to ₹ 15.00 Crores in the preceding year, reflecting a consistent capital base and asset utilization.

EXCEPTIONAL ITEM

During 2024–25, MIL recognized an exceptional expense of ₹ 6.00 Crores towards ex-gratia compensation, extended to workers who opted for retirement under the Company's voluntary retirement initiatives. No such exceptional items were recorded during 2023–24.

INTERNAL FINANCIAL CONTROLS AND SYSTEMS

The Company has established a framework of Internal Financial Controls (IFCs), which are adequate and commensurate with the size, nature, and complexity of its operations and business processes. As part of this framework, the Company uses accounting software equipped with an audit trail (edit log) feature to maintain its books of account. In addition, the Company has also implemented practices for daily backups of the entire database and application in remote locations.

HUMAN RESOURCES AND SAFETY

MIL places strong emphasis on employee well-being, development, and engagement. The Company fosters a culture of continuous learning through structured training programs like Leadership Development Training program "PRISM", Finance for Non-Finance for Business Team, Decoding Corporate Law, Powerful Executive Presence, First Time Managers, Cyber Security and Digital Awareness, Various Skill Development programs and various initiatives specifically designed to promote both professional and personal growth. A performance-driven environment ensures that talent and merit are appropriately recognized and rewarded.

In line with its core values, MIL remains steadfast in maintaining high standards of workplace safety, implementing ongoing safety measures and awareness programs across its facilities. As of March 31, 2025, the Company had 1,043 permanent employees.

OVERVIEW OF PRODUCT PORTFOLIO AND OPERATING PERFORMANCE

Mafatlal Industries Limited (MIL) has established a diversified presence across textiles and related products, digital infrastructure, and consumer durables.

Building on its rich legacy in textiles, MIL continues to play a pivotal role in fulfilling the varied fabric and apparel requirements of institutional and mass-market customers. The Company holds a leading position as a supplier across a wide range of textile products, including traditional woven fabrics, school uniforms, corporate attire, functional uniforms, daily wear garments, knitwear, home furnishings, hygiene products, and non-woven fabrics.

The Company has built a strong and expansive distribution network, comprising over 1,000 dealers across India, catering to the needs of the aspiring retail consumer. Additionally, MIL services large institutional buyers and corporates operating in sectors such as aviation, automobile, construction, pharmaceuticals, petroleum, security services, and others.

Expanding its footprint in digital infrastructure, the Company offers education-led technology solutions, infrastructure services, and technology-enabled offerings. MIL is actively expanding its presence across multiple states and is working towards establishing an annuity-based revenue model within this segment.

The consumer durables segment primarily focuses on the distribution of household and utility items through public procurement channels. Leveraging its robust vendor relationships and distribution network, MIL is steadily growing this segment, targeting goods distributed under various welfare schemes.

OUTLOOK

MIL remains confident in its ability to sustain and enhance its growth trajectory, underpinned by its product-agnostic business model and the recurring nature of opportunities in public procurement. Continued government support, the finalization of bilateral trade agreements with key global partners, and significant investments in the textile sector are expected to provide further impetus to market expansion.

The Company remains cognizant of potential risks arising from the global geopolitical environment and inflationary pressures, which could impact business operations. In response to these dynamics, MIL maintains a vigilant approach, closely monitoring macroeconomic indicators and adjusting strategies proactively. Despite the evolving complexities of the operating environment, the Company retains an optimistic outlook for both revenue growth and operating margin expansion over the medium term.

Corporate Governance Report

ANNEXURE II TO DIRECTORS' REPORT

Corporate Governance is a process that aims to meet stakeholders' aspirations and expectations. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures etc., serve as the means for implementing the philosophy of corporate governance. This Corporate Governance Report for the financial year ended on March 31, 2025, forms a part of the Directors' Report and the same has been prepared with the conditions of Corporate Governance set out in Regulations 17 to 27 along with Regulation 34(3) and Clauses (b) to (i) and (t) of Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('the SEBI Listing Regulations'). The Company has put in place a Governance Framework that encourages the ethical and responsible conduct of business to create value for all stakeholders.

1. A BRIEF STATEMENT ON THE LISTED ENTITY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company has been a front-runner in India to have corporate governance as systematic process. Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and meeting stakeholder's aspirations. The Company has always believed in the concept of good corporate governance involving transparency, empowerment, accountability and integrity with a view to enhancing stakeholder value.

The Company has established a mechanism with policies and strong governance practices to ensure higher ethical standards across business activities for responsible and responsive management and to comply with the applicable statutory and regulatory requirements.

2. BOARD OF DIRECTORS

The Board of Directors consists of Eleven (11) Directors as on March 31, 2025. The Board comprises of two Executive Promoter Directors and Nine Non-Executive Independent Directors (NEIDs) including, two-women Directors. The Board of Directors is headed by Mr. Hrishikesh A. Mafatlal who is the Chairman (Executive Chairman) of the Company.

The Company has obtained requisite disclosures from the Directors in respect of their directorship in other companies and membership in committees of other companies. The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013, read with Regulation 17 of the SEBI Listing Regulations as on March 31, 2025. Further details are as follows:

Sr. No.	Name of Directors	Category	Board Meetings Held	Board Meetings Attended	Attendance at the Last AGM Held on August 2, 2024	# No. of Directorship in Public Companies as on March 31, 2025	$ No. of Committee Membership/ Chairmanship in other Companies during the Year End	
							Member	Chairman
1.	Mr. Hrishikesh A. Mafatlal Executive Chairman (DIN: 00009872)	Promoter Executive	6	6	Yes	2	1	-
2.	Mr. Priyavrata H. Mafatlal Managing Director (DIN: 02433237)	Promoter Executive	6	6	Yes	1	-	-
3.	Mr. Atul K. Srivastava (DIN: 00046776)	Non-Executive Independent	6	6	Yes	2	1	-
4.	Mrs. Latika P. Pradhan (DIN: 07118801) Till April 16, 2025	Non-Executive Independent	6	6	Yes	2	3	1

Sr. No.	Name of Directors	Category	Board Meetings Held	Board Meetings Attended	Attendance at the Last AGM Held on August 2, 2024	# No. of Directorship in Public Companies as on March 31, 2025	$ No. of Committee Membership/ Chairmanship in other Companies during the Year End	
							Member	Chairman
5.	Mr. Gautam G. Chakravarti (DIN: 00004399)	Non-Executive Independent	6	6	Yes	1	-	-
6.	Mr. Sujal A. Shah (DIN: 00058019)	Non-Executive Independent	6	6	Yes	8	8	4
7.	Mr. Ashutosh S. Bishnoi (DIN:02926849) With effect from May 27, 2024	Non-Executive Independent	6	6	Yes	0	0	0
8.	Mr. Abhay R. Jadeja (DIN: 03319142) With effect from May 27, 2024	Non-Executive Independent	6	6	Yes	2	1	-
9.	Mr. Jyotin K. Mehta (DIN:00033518) With effect from October 26 , 2024	Non-Executive Independent	3	3	NA	7	3	2
10.	Dr. Archana N. Hingorani (DIN: 00028037) With effect from February 4, 2025	Non-Executive Independent	2	2	NA	6	5	3
11.	Mr. Desh Deepak Khetrapal (DIN: 02362633) With effect from February 4, 2025	Non-Executive Independent	2	2	NA	2	3	-
12.	Mr. Vilas R. Gupte (DIN:00011330) Till August 4, 2024	Non-Executive Independent	2	2	Yes	1	2	1
13.	Mr. Pradip N. Kapadia (DIN: 00078673) Till August 4, 2024	Non-Executive Independent	2	2	Yes	3	2	-

Excludes Directorships and Chairmanship held in Mafatlal Industries Limited, Private Limited Companies, Foreign Companies and Section 8 Companies.

$ In accordance with Regulation 26(1) of SEBI (LODR) Regulations, 2015, only Memberships/Chairmanships of Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies (excluding Mafatlal Industries Limited) have been considered. Total number of memberships includes the Committees in which Director is a chairperson.

APPOINTMENT/CESSATION

Appointed:

Mr. Ashutosh S. Bishnoi and Mr. Abhay R. Jadeja appointed as Independent Directors effective from May 27, 2024.

Mr. Atul K. Srivastava re-appointed as an Independent Director effective from August 5, 2024

Mr. Jyotin K. Mehta appointed as an Independent Director effective from October 26, 2024.

Mr. Desh Deepak Khetrapal and Dr. Archana N. Hingorani appointed as Independent Directors effective from February 4, 2025.

Corporate Governance Report (Contd.)

A formal letter of appointment was issued to all Independent Directors. All newly appointed directors would be provided an induction program on his /her duties as a director and how to discharge those duties. Briefings would also be provided by management on the Company's history, business operations and corporate governance practices.

Ceased:

Mr. Vilas R. Gupte and Mr. Pradip N. Kapadia, Independent Directors retired on August 4, 2024, upon completion of their second term.

Mrs. Latika P. Pradhan, Independent Director retired on April 16, 2025, upon completion of her second term.

Sr. No.	Name of Directors	Name of the Listed Entities (excluding Mafatlal Industries Limited) in which a Person is a Director and Category of Directorship
1.	Mr. Hrishikesh A. Mafatlal	Promoter Director (Executive Chairman) of NOCIL Limited
2.	Mr. Priyavrata H. Mafatlal	Promoter Non-Executive Director of NOCIL Limited
3.	Mr. Atul K. Srivastava	Non-Executive Independent Director of Navin Fluorine International Limited
4.	Mrs. Latika P. Pradhan	Non-Executive Independent Director of Teamlease Services Limited
5.	Mr. Gautam G. Chakravarti	None
6.	Mr. Sujal A. Shah	Non-Executive Independent Director of: 1. Deepak Fertilisers and Petrochemicals Corporation Limited 2. Navin Fluorine International Limited 3. Atul Limited 4. NOCIL Limited 5. The Bombay Dyeing And Manufacturing Company Limited
7.	Mr. Ashutosh S. Bishnoi	None
8.	Mr. Abhay R. Jadeja	Non-Executive Independent Director of: 1. Nilkamal Limited 2. Stovec Industries Limited
9.	Mr. Jyotin K. Mehta	Non-Executive Independent Director of 1. I G Petrochemicals Limited 2. Westlife Foodworld Limited 3. Amal Limited
10.	Dr. Archana N. Hingorani	Non-Executive Independent Director of 1. Grindwell Norton Limited 2. Ema Partners India Limited 3. The Phoenix Mills Limited 4. Balaji Telefilms Limited 5. 5paisa Capital Limited
11.	Mr. Desh Deepak Khetrapal	Non-Executive Non-Independent Director of BirlaNu Limited Managing Director & CEO of Orient Cement Limited
12.	Mr. Vilas R. Gupte	Non-Executive Independent Director of NOCIL Limited
13.	Mr. Pradip N. Kapadia	Non-Executive Independent Director of: 1. Gokak Textiles Limited 2. Navin Fluorine International Limited

Number of Meetings of the Board of Directors and Dates of Meetings Held:

During the financial year ended on March 31, 2025, a total of 6 (six) meetings of the Board of Directors were held. The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The attendance record of the directors at the Board Meeting is as under :-

Name of the Directors	Board Meetings and attendance						
	(1) May 27, 2024	(2) August 2, 2024	(3) September 11, 2024	(4) October 26, 2024	(5) February 4, 2025	(6) March 25, 2025	Total attendance
Mr. Hrishikesh A. Mafatlal	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Priyavrata H. Mafatlal	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Vilas R. Gupte	Yes	Yes	NA	NA	NA	NA	2
Mr. Atul K. Srivastava	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Pradip N. Kapadia	Yes	Yes	NA	NA	NA	NA	2
Mrs. Latika P. Pradhan	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Gautam G. Chakravarti	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Sujal A. Shah	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Abhay R. Jadeja	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Ashutosh S. Bishnoi	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Jyotin K. Mehta	NA	NA	NA	Yes	Yes	Yes	3
Dr. Archana N. Hingorani	NA	NA	NA	NA	Yes	Yes	2
Mr. Desh Deepak Khetrapal	NA	NA	NA	NA	Yes	Yes	2

Yes- Present | Not - Absent | NA - Not applicable

All such meetings were held physically except the meeting held on September 11, 2024, which was held through Video Conferencing (VC).

The Company has complied with the applicable provisions of the Companies Act, 2013, read with the Secretarial Standards and the SEBI Listing Regulations.

Profile of Directors seeking appointment/re-appointment:

The brief profile and other information of the Director's seeking appointment/re-appointment is provided in the notice convening the 111th Annual General Meeting.

Separate Meeting of Independent Directors

As per Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (LODR) Regulations 2015, a separate meeting of Independent Directors was convened on February 13, 2025, and March 25, 2025, without the presence of Non-Independent Directors and management representatives. The said meetings were chaired by Mr. Sujal A. Shah, Independent Director and attended by all Independent Directors.

At such meeting, the Independent Directors, inter alia, discussed and evaluated the performance of Non-Independent Directors and the Board of Directors as a whole. Independent Directors also evaluated the performance of the Chairman of the Company, taking into account, views of Executive and Non-executive Directors and assessed the quality, quantity, and timelines of the flow of information between the management and the Board that is necessary for the Board to perform its duties effectively and reasonably. The Independent Directors also discussed and evaluated the proposed related party transactions.

The Chairman of the Board is updated by the Chairperson of the meeting of Independent Directors about the outcome of the meeting and actions, if any, required to be taken by the Company.

Disclosure of Relationships between Directors inter-se

Mr. Hrishikesh A. Mafatlal, Executive Chairman is a relative (father) of Mr. Priyavrata H. Mafatlal, Managing Director of the Company. None of the other Directors are related to any other Director of the Company.

None of the Company's Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an Independent Director i.e. None of the Independent Directors have any inter-se relationship and each one of them is independent of each other.

Corporate Governance Report (Contd.)

None of the Directors of the Company holds directorship in more than 10 Public Limited Companies. None of an Independent Director serves as an Independent Director in more than 7 (Seven) Listed Companies. None of the Director of the Company is appointed in more than 10 Committees acts as Chairman in more than 5 (Five) Committees across all the Companies in which he/she is a Director.

Details of shareholding of Non-Executive Independent Directors

Name of the Directors	Number of Equity Shares of ₹ 2/- each held as of March 31, 2025
Mr. Atul K. Srivastava	-
Mr. Vilas R. Gupte	-
Mr. Pradip N. Kapadia	690
Mrs. Latika P. Pradhan	-
Mr. Gautam G. Chakravarti	-
Mr. Sujal A. Shah	-
Mr. Ashutosh S. Bishnoi	-
Mr. Abhay R. Jadeja	-
Mr. Jyotin K. Mehta	-
Dr. Archana N. Hingorani	-
Mr. Desh Deepak Khetrapal	-

The Company does not have any other issued and listed security.

Familiarization Program for Independent Directors

Pursuant to Regulations 25(7) of the Listing Regulations, the Company has a familiarization program for its Independent Directors to familiarize the Independent Directors to enable them to understand the Company, its operations, business, industry and the environment in which it functions and the regulatory requirements applicable to it. The Chairman, Managing Director, Chief Executive Officer and Chief Financial Officer also have a one-to-one discussion with the newly appointed Director to familiarize him/her with the Company's operations.

Further, on an ongoing basis as a part of the agenda of Board and Committee Meetings, presentations are regularly made on various matters inter alia covering the Company's business and operations, industry, and regulatory updates etc. The details of the familiarization program imparted to Independent Directors is disclosed on the Company's website at www.mafatlals.com/investors/.

Skills, Expertise, and Competence of the Board of Directors

The Board of Directors of the Company comprises people with varied experience in different areas who bring in the required skills, competence, and expertise that allows them to make an effective contribution to the Board and its Committees. The following list summarizes the key skills, expertise, and competence that the Board thinks are necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its members possess: 1. Commercial 2. Finance including Audit, Accounts, Taxation 3. Sales and Marketing 4. Science and Technology including IT 5. Domain Industry 6. General Management and Human Resources 7. Legal and Advisory.

As per the Board, the Directors have skills/ expertise/ competencies as follows:

Names of the Director	Educational Qualification	Experience in years	Skills/Expertise/competencies they hold
Mr. Hrishikesh A. Mafatlal	Graduation in Commerce with Honors from Sydenham College, Mumbai and Advance Management Program (AMP) at Harvard Business School, USA.	48	Commercial, Finance, General Management, Domain Industry, Sales and Marketing, Science & Technology
Mr. Priyavrata H. Mafatlal	Master of Commerce (with a specialization in Marketing) from Mumbai University and also an alumni of the Harvard Business School, USA.	17	Commercial, Finance, General Management, Domain Industry, Sales & Marketing, Science & Information Technology
Mr. Atul K. Srivastava	B.Sc. (Hons) Physics, FCA	48	Commercial, Finance including Audit, Accounts, Taxation
Mr. Gautam G. Chakravarti	Degree in Physics, Masters in economics, Post Graduate Program in Management from IIM, Ahmedabad	49	Commercial, General Management and domain expertise
Mr. Sujal A. Shah	B. Com, FCA	34	Commercial, Finance including Audit, Accounts, Taxation, Valuation
Mr. Abhay R. Jadeja From May 27, 2024	LLB	20	Legal & Commercial
Mr. Ashutosh S. Bishnoi From May 27, 2024	MBA, Mahindra Universe Program at the Harvard Business School, Boston (USA)	41	Financial services and Consumer Marketing Businesses
Mr. Jyotin K. Mehta From October 26, 2024	FCA, FCS and Management Accountant	40	Corporate Finance, Internal Audit, Corporate Governance, Risk and Controls, Company Law, Legal and Regulatory Compliance and Customer Service
Mr. Desh Deepak Khetrapal From February 4, 2025	B. Com, MBA	50	Commercial, Marketing Businesses and Finance including Audit, Accounts, Taxation, Valuation
Dr. Archana N. Hingorani From February 4, 2025	BA, MBA, Doctorate Degree in Philosophy	30	Financial Services, Private Equity Fund Investment and Asset Management Business
Mr. Vilas R. Gupte Up to August 4, 2024	B. Com, CA	57	Commercial, Finance including Audit, Accounts, Taxation, General Management
Mr. Pradip N. Kapadia Up to August 4, 2024	B.A., LLB	51	Legal & Commercial
Mrs. Latika P. Pradhan Up to April 16, 2025	FCA, AICWA, ACS and LL.B.	44	Commercial, Finance including Audit, Accounts, Taxation

In the opinion of the Board, all Independent Directors of the Company fulfill the conditions of independence as prescribed under the provisions of the Companies Act, 2013, read with the SEBI (LODR) Regulations and are independent of the management of the Company.

None of the Independent Directors resigned before the expiry of their tenure.

COMMITTEES OF THE BOARD

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship/Investor's Grievance Committee
- Corporate Social Responsibility (CSR) Committee
- Share Allotment Committee
- Investment and Diversification Committee

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as mentioned in the provisions of Section 177 of the Companies Act, 2013 read with Part-C of Schedule II and Regulation 18 of the SEBI (LODR) Regulations, 2015, as amended time to time. The composition of the Committee is also in conformity with the said provisions.

(a) Roles and Powers of the Audit Committee:

The key terms of reference of the committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.
2. Recommending to the Board the appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements and the auditor's report thereon before submission to the Board for approval, with particular reference to:
   (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
   (b) Changes, if any, in accounting policies and practices and reasons for the same.
   (c) Major accounting entries involving estimates based on the exercise of judgment by management.
   (d) Significant adjustments made in the financial statements arising out of audit findings.
   (e) Compliance with listing and other legal requirements relating to financial statements.
   (f) Approval and Disclosure of any related party transactions.
   (g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit Process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. To evaluate the internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussing with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the whistle blower mechanism.
19. Approval of the appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
22. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. Such other functions as may be prescribed under the applicable laws and regulations.

The Audit Committee mandatorily reviews the following information:

- Management discussion and analysis of financial condition and results of operations.
- Management letters/letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations:

(i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(b) Composition, meeting and attendance:

During the year under review, six meetings of the Audit Committee of the Board of Directors were held. The composition of the Committee, along with details of the meetings and member attendance, is provided below:

No.	Name of the Directors	Designation	(1) May 27, 2024	(2) August 2, 2024	(3) September 11, 2024	(4) October 26, 2024	(5) February 4, 2025	(6) March 25, 2025	Meeting attended
1.	Mr. Vilas R. Gupte	Chairman Till August 2, 2024	Yes	Yes	NA	NA	NA	NA	2
2.	Mrs. Latika P. Pradhan	Chairperson After August 2, 2024	Yes	Yes	Yes	Yes	Yes	Yes	6
3.	Mr. Sujal A. Shah	Member	Yes	Yes	Yes	Yes	Yes	Yes	6
4.	Mr. Gautam G. Chakravarti	Member	Yes	Yes	Yes	Yes	Yes	Yes	6
5.	Mr. Atul K. Srivastava After August 2, 2024.	Member	NA	NA	Yes	Yes	Yes	Yes	4

Yes- Present | Not - Absent | NA - Not applicable

The tenure of Mr. Vilas R. Gupte, Independent Director of the Company concluded on August 4, 2024, upon the completion of his second term. Consequently, the Board of Directors reconstituted the Audit Committee on August 2, 2024. Mrs. Latika P. Pradhan was appointed as the Chairperson of the Committee and Mr. Atul K. Srivastava has been inducted as a member after the conclusion of the Audit Committee meeting held on August 2, 2024. All members of the reconstituted Audit Committee are Independent Directors and possess the requisite experience and expertise in financial and related matters.

Mr. Amish P. Shah, Company Secretary of the Company, acted as Secretary to the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee is as mentioned in the provisions of Section 178 of the Companies Act, 2013, read with Part D (A) of Schedule ll and Regulation 19 of the SEBI (LODR) Regulations, 2015, as amended from time to time. The composition of the Committee was in conformity with the said provisions.

(a) The Committee's terms of reference include:

Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

1. For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and based on such an evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, the Committee may:

a. Use the services of an external agency, if required;
b. Consider candidates from a wide range of backgrounds, having due regard for diversity; and
c. Consider the time commitments of the candidates.

2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of the Board of Directors.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, based on the performance evaluation report of Independent Directors.
6. Recommend to the Board all remuneration, in whatever form, payable to senior management.

(b) Composition, meeting and attendance:

During the year under review, four meetings of the Committee were held which were attended by the members as follows:

No.	Name of the Directors	Designation	(1) April 23, 2024	(2) May 27, 2024	(3) October 3, 2024	(4) January 15, 2025	Meeting attended
1.	Mr. Pradip N. Kapadia	Chairman Till August 2, 2024.	Yes	Yes	NA	NA	2
2.	Mr. Gautam G. Chakravarti	Chairman w.e.f. August 2, 2024	Yes	Yes	Yes	Yes	4
3.	Mr. Vilas R. Gupte Till August 2, 2024.	Member	Yes	Yes	NA	NA	2
4.	Mr. Atul K. Srivastava w.e.f. August 2, 2024.	Member	NA	NA	Yes	Yes	2
5.	Mr. Ashutosh S. Bishnoi w.e.f. August 2, 2024.	Member	NA	NA	Yes	Yes	2

Yes- Present | Not - Absent | NA - Not applicable

Mr. Amish P. Shah, Company Secretary of the Company, acted as Secretary to the Committee.

The tenure of Mr. Pradip N. Kapadia and Mr. Vilas R. Gupte concluded on August 4, 2024, upon the completion of their second term. Consequently, the Board of Directors reconstituted the Nomination and remuneration committee on August 2, 2024, and Mr. Gautam G. Chakravarti has been appointed as chairman.

Performance evaluation of Independent Directors

In view of the provisions of Section 178 (2) of the Companies Act, 2013, effective evaluation of the performance of the Board, its committee and Individual Directors has been evaluated by the Board. The evaluation criteria of the Board comprised the following:

General

i. Well, educated, experienced and possessing knowledge and competence.

ii. Participation in the vision and strategy of the Company and understanding functions assigned to him/her by the Law or Board/Committees.

iii. Integrity, initiative, commitment and discipline towards the role and responsibilities (including conformance with applicable laws, regulations, rules, and guidelines).

iv. Exercising Independent views, prudence and judgement, without conflict of interest.

v. Maintenance of satisfactory attendance at the Meetings of the Board and committees.

vi. Diligence in the preparation and remaining well-informed, taking initiative with respect to various areas.

vii. Participation in the reviews of internal financial controls and performance; seeking clarifications and amplifications as required.

viii. Participation in decision-making and making constructive suggestions; maintaining impartiality and team working capability.

ix. Participation in risk management and material issues; providing constructive advice/ suggestions.

x. Engaging in meaningful and in constructive communications; providing a fair chance to others for expressing their views.

xi. Contribution in implementing and sustaining governance practices with an ongoing review of compliances.

xii. Addressing the interest of all stakeholders.

Additional areas for Independent Directors

Ensuring Board independence (from the entity and other Directors with no conflict of interest), exercising independent views, judgement and performing the duties of Independent Director as prescribed under applicable statutory provisions as also the specific duties/role assigned to them by Board/Committees.

Remuneration of Directors

There were no pecuniary relationships or transactions entered into by the Company with any of the Directors of the Company except as disclosed herein below as regards to the remuneration including the sitting fees paid to them.

The Company, during the financial year 2024-25, paid sitting fees to each Non-Executive Director for attending the Meetings of the Board of Directors and the Committees @ ₹ 70,000/- per meeting.

Mr. Hrishikesh A. Mafatlal, Chairman of the Company, voluntarily opted for a waiver of the remuneration for the financial year 2024-25.

Details of remuneration/sitting fees paid to all Directors

(₹ in Crores)

Sr. No.	Names of Directors	Salary, Allowances, and All Other Prerequisites	Sitting Fee	Performance linked incentive	Total
1.	Mr. Priyavrata H. Mafatlal	2.54	Nil	0.72	3.26
2.	Mr. Hrishikesh A. Mafatlal	-	-	-	-
3.	Mr. Vilas R. Gupte up to August 4, 2024	-	0.04	-	0.04
4.	Mr. Pradip N. Kapadia up to August 4, 2024	-	0.04	-	0.04
5.	Mr. Atul K. Srivastava	-	0.12	-	0.12

Sr. No.	Names of Directors	Salary, Allowances, and All Other Prerequisites	Sitting Fee	Performance linked incentive	Total
6.	Mrs. Latika P. Pradhan up to April 16, 2025	-	0.10	-	0.10
7.	Mr. Gautam G. Chakravarti	-	0.12	-	0.12
8.	Mr. Sujal A. Shah	-	0.11	-	0.11
9.	Mr. Ashutosh S. Bishnoi from May 27, 2024	-	0.08	-	0.08
10.	Mr. Abhay R. Jadeja from May 27, 2024	-	0.07	-	0.07
11.	Mr. Jyotin K. Mehta from October 26, 2024	-	0.04	-	0.04
12.	Dr. Archana N. Hingorani from February 4, 2025	-	0.04	-	0.04
13.	Mr. Desh Deepak Khetrapal from February 4, 2025	-	0.04	-	0.04

At the 110th Annual General Meeting (AGM) held on August 2, 2024, the shareholders approved, by way of special resolution, the payment of performance-linked incentive to Mr. Priyavrata H. Mafatlal, Managing Director, up to a maximum of ₹ 1 Crore per financial year.

Based on the performance of the Company, the Nomination and Remuneration Committee (NRC), in its meeting held on May 13, 2025, recommended the payment of a performance-linked incentive of ₹ 0.72 Lakhs to Mr. Priyavrata H. Mafatlal, Managing Director, for the financial year 2024-25. In the same meeting the NRC also recommended payment of remuneration by way of commission to Non-Executive Independent Directors, including those who have appointed and ceased to be Directors during the year and Additional Directors, subject to the approval of the Board and shareholders by way of special resolution at the forthcoming 111th AGM.

No remuneration by way of commission shall be paid to any individual Non-Executive Director in excess of fifty percent (50%) of the total annual commission payable to all Non-Executive Directors of the Company. No bonus or stock options given/provided to any Directors for the financial year 2024-25.

Mr. Amish P. Shah, Company Secretary of the Company, acted as Secretary to the Committee.

Other service contracts, notice period, severance fees relating to Directors:

Letters of appointment containing terms and conditions including remuneration were issued to the Executive Director. Besides, appointment letters were also issued to all Independent Directors. The standard terms and conditions of appointment applicable to Independent Directors are available on the Company's website at www.mafatlals.com/investors/.

5. STAKEHOLDERS' RELATIONSHIP/INVESTORS' GRIEVANCE COMMITTEE

The terms of reference of the Stakeholders' Relationship /Investors' Grievance Committee are as mentioned in the provisions of Section 178 of the Companies Act, 2013, read with Part D (B) of Schedule ll and Regulation 20 of the SEBI (LODR) Regulations, 2015, as amended from time to time. The composition of the Committee was in conformity with the said provisions. The Board of Directors of the Company reviewed the stakeholders'/ investors' grievances, if any, at the end of every quarter.

Corporate Governance Report (Contd.)

(a) Roles of the Stakeholders Relationship/Investors Grievance Committee

The Stakeholders' Relationship/Investors Grievance Committee looks into the stakeholders' complaints and provide guidance for its expeditious redressal. The role of the committee inter-alia includes the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards by the Registrar and Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(b) Composition, meeting, and attendance:

During the financial year under review, one meeting of the Committee was held which was attended by the members as follows:

No.	Name of the Directors	Designation	March 25, 2025	Meeting attended
1.	Mr. Atul K. Srivastava	Chairman	Yes	1
2.	Mr. Hrishikesh A. Mafatlal	Member	Yes	1
3.	Mr. Abhay R. Jadeja, w.e.f. August 2. 2024	Member	Yes	1
4.	Mr. Pradip N. Kapadia, till August 2, 2024	Member	NA	NA

Yes- Present | Not - Absent | NA - Not applicable

The tenure of Mr. Pradip N. Kapadia, Independent Director concluded on August 4, 2024, upon the completion of his second term. Consequently, the Board of Directors reconstituted the committee on August 2, 2024, and Mr. Abhay R. Jadeja has been appointed a member of the Committee.

Mr. Amish P. Shah, Company Secretary of the Company, acted as Secretary to the Committee.

The details of complaints received from stakeholders from April 1, 2024, to March 31, 2025, are as follows:

- Number of shareholders' complaints received: 20
- Complaint not resolved to the satisfaction of shareholders: Nil
- Number of pending complaints (as of March 31, 2025): Nil

(c) PARTICULARS OF KEY MANAGERIAL PERSONNEL (KMPS) & SENIOR MANAGEMENT

Sr. No.	Name	Designation
1.	Mr. Priyavrata H. Mafatlal	Managing Director
2.	Mr. Milan P. Shah	Chief Financial Officer (CFO)
3.	Mr. M. B. Raghunath	Chief Executive Officer (CEO)
4.	Mr. Amish P. Shah	Company Secretary (CS)
5.	Mr. Gaurav Gupta	Vice President (Marketing)
6.	Ms. Smita Jhanwar	Vice President (Finance)

There is no change in senior management during the financial year.

Except Mr. Hrishikesh A. Mafatlal and Mr. Priyavrata H. Mafatlal, none of our Directors are related to each other and to any of the Key Managerial Personnel as per the provisions of Companies Act, 2013.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(a) Roles and terms of reference of Corporate Social Responsibility Committee

The Role of the Committee is to formulate and recommend to the Board a Corporate Social Responsibility Policy which shall include Recommendation of the amount of expenditure, guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of annual plan for implementation of CSR. On the recommendations of the Committee, based on reasonable justifications to that effect, the Board may alter such plan at any time during the financial year. The Committee shall review and recommend to the Board amendments to the CSR Policy.

Terms of Reference

The terms of reference of the committee are as under:

1) To formulate and recommend to the Board a Corporate Social Responsibility Policy ('CSR Policy');

2) To recommend the amount of expenditure to be incurred by the Company on the activities listed in CSR Policy.

3) To monitor the CSR Policy of the Company from time to time; and

4) Such other roles and functions as may be prescribed in the Companies Act, 2013 and Rules made thereunder.

(b) Composition, meeting and attendance:

During the financial year under review, two meetings of the Committee were held which were attended by the members as follows:

No.	Name of the Directors	Designation	(1)	(2)	Meeting attended
			May 6, 2024	October 25, 2024	
1.	Mr. Hrishikesh A. Mafatlal	Chairman	Yes	Yes	2
2.	Mr. Atul K. Srivastava	Member	Yes	Yes	2
3.	Mr. Sujal A. Shah	Member	Yes	Yes	2

Yes- Present | Not - Absent | NA - Not applicable

Mr. Amish P. Shah, Company Secretary of the Company, acted as Secretary to the Committee.

7. SHARE ALLOTMENT COMMITTEE

(a) Role of the Share Allotment Committee

The role of the committee is to issue and allot all kinds of securities that may be issued by the Company from time to time, subject to the provisions of the Companies Act, 2013 and subject to the Memorandum and Articles of Association of the Company.

(b) Composition, meeting and attendance:

During the financial year under review, four meetings of the Committee were held which were attended by the members as follows:

No.	Name of the Directors	Designation	(1) May 27, 2024	(2) July 19, 2024	(3) October 26, 2024	(4) February 4, 2025	Meeting attended
1.	Mr. Hrishikesh A. Mafatlal	Chairman	Yes	Yes	Yes	Yes	4
2.	Mr. Priyavrata H. Mafatlal	Member	Yes	Yes	Yes	Yes	4
3.	Mr. Abhay R. Jadeja w.e.f. August 2, 2024	Member	NA	NA	Yes	Yes	2
4.	Mr. Pradeep N. Kapadia, Till August 2, 2024	Member	Yes	Yes	NA	NA	2

Yes- Present | Not - Absent | NA - Not applicable

The tenure of Mr. Pradeep N. Kapadia, Independent Director concluded on August 4, 2024, upon the completion of his second term. Consequently, the Board of Directors reconstituted the Share Allotment Committee on August 2, 2024. Mr. Abhay R. Jadeja, Independent Director, has been appointed as the member of the Committee in place of Mr. Pradeep N. Kapadia.

8. INVESTMENT AND DIVERSIFICATION COMMITTEE:

(a) Roles of Investment and Diversification Committee

The Committee was constituted by the Board on February 4, 2025, to support the Board in formulating, guiding, and overseeing the implementation of the Company's investment and divestment strategy.

Its responsibilities include:

- o Reviewing and recommending investment, divestment and diversification plans to the Board.
- o Assessing the feasibility, viability and other critical aspects of investment and diversification proposals, and advising the Board accordingly.
- o Providing guidance on appropriate levels of investment and diversification in alignment with the Company's strategic objectives.
- o Monitoring and evaluating the progress and performance of investments in collaboration with Company executives.
- o Carrying out any additional duties and responsibilities as may be delegated by the Board from time to time.

(b) Composition, meeting, and attendance:

During the financial year under review, one meeting of the Committee was held which was attended by the members as follows:

No.	Name of the Directors	Designation	March 21, 2025	Meeting attended
1.	Mr. Desh Deepak Khetrapal	Chairman	Yes	1
2.	Mr. Jyotin K. Mehta	Member	Yes	1
3.	Dr. Archana N. Hingorani	Member	Yes	1

Yes- Present | Not - Absent | NA - Not applicable

9. RECONSTITUTION OF COMMITTEES

The tenure of Mrs. Latika P. Pradhan, Independent Director, concluded on April 16, 2025, upon the completion of her second term. Further, the tenure of Mr. Gautam R. Chakravarti and Mr. Sujal A. Shah, Independent Directors, will conclude on May 29, 2025, upon the completion of their second term. In view of these changes, the Board of Directors, at its meeting held on March 25, 2025, approved the reconstitution of the following committees:

Audit Committee – Reconstituted with effect from April 16, 2025

Name of the members	Designation	Category
Mr. Atul K. Srivastava	Chairman	Non-Executive & Independent Director
Mr. Jyotin K. Mehta	Member	Non-Executive & Independent Director
Mr. Ashutosh S. Bishnoi	Member	Non-Executive & Independent Director
Dr. Archana N. Hingorani	Member	Non-Executive & Independent Director

Nomination and Remuneration Committee- Reconstituted with effect from May 15, 2025.

Name of the members	Designation	Category
Mr. Ashutosh S. Bishnoi	Chairman	Non-Executive & Independent Director
Mr. Jyotin K. Mehta	Member	Non-Executive & Independent Director
Mr. Desh Deepak Khetrapal	Member	Non-Executive & Independent Director
Mr. Hrishikesh A. Mafatlal	Member	Executive & Promoter Director

Stakeholders Relationship Committee- Reconstituted with effect from May 15, 2025.

Name of the members	Designation	Category
Mr. Abhay R. Jadeja	Chairman	Non-Executive & Independent Director
Mr. Desh Deepak Khetrapal	Member	Non-Executive & Independent Director
Mr. Hrishikesh A. Mafatlal	Member	Executive & Promoter Director
Mr. Priyavrata H. Mafatlal	Member	Managing Director (Executive) & Promoter Director

Corporate Social Responsibility (CSR) Committee- Reconstituted with effect from May 15, 2025.

Name of the members	Designation	Category
Mr. Hrishikesh A. Mafatlal	Chairman	Executive & Promoter Director
Mr. Abhay R. Jadeja	Member	Non-Executive & Independent Director
Mr. Atul K. Srivastava	Member	Non-Executive & Independent Director

Investment and Diversification Committee – Reconstituted with effect from May 15, 2025.

Name of the members	Designation	Category
Mr. Desh Deepak Khetrapal	Chairman	Non-Executive & Independent Director
Dr. Archana N. Hingorani	Member	Non-Executive & Independent Director
Mr. Jyotin K. Mehta	Member	Non-Executive & Independent Director
Mr. Hrishikesh A. Mafatlal	Member	Executive & Promoter Director
Mr. Priyavrata H. Mafatlal	Member	Managing Director (Executive) & Promoter Director

Corporate Governance Report (Contd.)

10. GENERAL BODY MEETINGS

i) Details of the last three Annual General Meetings and details of Special Resolution passed:

Sr. No.	Location	Time	Annual General Meeting and Date	Any Special Resolutions Passed at AGM and (No. of Such Resolutions)
1.	301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad – 380 009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	03.30 PM	110th Annual General Meeting held on August 2, 2024.	Yes (5)
2	301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	12.00 PM	109th Annual General Meeting held on August 3, 2023.	Yes (1)
3.	301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	12.00 PM	108th Annual General Meeting held on July 30, 2022.	Yes (1)

No Extraordinary General Meeting (EGM) and meeting convened pursuant to the directions of the Honourable National Company Law Tribunal (NCLT) was held during the financial year 2024–25.

ii) Resolutions passed through the postal ballot:

During the financial year 2024-25, the Company conducted the business mentioned in item 10 (iii) below by way of postal ballot, exclusively through the remote e-voting process. This was undertaken in accordance with the provisions of Section 110 read with Section 108 of the Companies Act, 2013 ("the Act"), the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (LODR) Regulations, 2015 ("Listing Regulations"), and in line with the applicable circulars issued by the Ministry of Corporate Affairs ("MCA Circulars"). The Company also ensured adherence to Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India. The Company followed the prescribed procedures for conducting the postal ballot, as mandated under the Act, the applicable Rules thereunder and the Listing Regulations.

The Company engaged the services of KFin Technologies Limited for the purpose of providing e-voting facility to all its members.

During the year, the Company passed four Special Resolutions through postal ballot, conducted in two separate tranches. The details of the resolutions passed are as follows:

iii) Details of postal ballot resolutions:

Particulars	I-Postal Ballot	II-Postal Ballot
Postal ballot Notice approved by the Board of Directors	October 26, 2024	February 4, 2025
Postal ballot notice containing the resolutions and explanatory statements e-mailed along with instructions for the remote e-voting process to the members and BSE Ltd.	December 3, 2024	March 7, 2025

Particulars	I-Postal Ballot	II-Postal Ballot
Newspaper advertisement published in the newspapers on.	The Financial Express, English & Gujarati editions on December 4, 2024	The Financial Express, English & Gujarati editions on March 11, 2025
E-voting commencement date	December 9, 2024, at 9.00 A.M. (IST)	March 14, 2025, at 9.00 A.M. (IST)
E-voting ended date	January 7, 2025, at 5.00 P.M. (IST)	April 15, 2025, at 5.00 P.M. (IST)
Scrutinizer of postal ballot	CS Umesh Ved, M/s. Umesh Ved and Associates, Practicing Company Secretaries, Ahmedabad (FCS No.: 4411 CP No.: 2924)	
The results of the postal ballot declared along with the report of scrutinizer were placed on the website of the Company and communicated to BSE Ltd. and Kfin Technologies Ltd.	January 8, 2025	April 16, 2025

Resolution	Type of Resolution	Favor		Against	
		No. of votes	% of votes	No. of votes	% of votes
Postal Ballot notice dated October 26, 2024					
Appointment of Mr. Jyotin K. Mehta (DIN:00033518) as a Director (Non-Executive Independent Director).	Special Resolution	50390438	99.99	2953	0.01
Alteration of Object Clause of the Memorandum of Association of the Company.	Special Resolution	50390419	99.99	2972	0.01
Postal Ballot notice dated February 4, 2025					
Appointment of Mr. Desh Deepak Khetrapal (DIN 02362633) as a Director (Non-Executive Independent Director).	Special Resolution	50997863	99.99	3404	0.01
Appointment of Dr. Archana N. Hingorani (DIN 00028037) as a Director (Non-Executive Independent Director).	Special Resolution	50997973	99.99	3394	0.01

The Company successfully completed the process of obtaining the approval of its shareholders for Special Resolutions on the items as mentioned above through Postal Ballot.

11. MEANS OF COMMUNICATION

i) Quarterly, half-yearly and annual results:

The unaudited quarterly/ half yearly results are announced within forty-five days of the closure of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirements of the SEBI (LODR) Regulations, 2015.

The quarterly results are not sent to each shareholder as shareholders are intimated through press/media. The Results are submitted to BSE Limited (Bombay Stock Exchange or 'BSE') at which the equity shares of the Company are listed and traded, by way of online filing with Listing Center of BSE. Additionally, the results are also displayed on the Company's website at www.mafatlals.com/investors/.

ii) Newspapers wherein results are normally published:

Publication of results and statutory notices to the shareholders/members is published in Financial Express in English, all India edition and Financial Express in Gujarati in Ahmedabad edition.

iii) Any website, where displayed:

All disclosures, presentations, quarterly compliance, including the financial results and other major events/ developments/information, concerning the Company are displayed on Company's website www.mafatlals.com/investors.

iv) Whether it also displays official news releases:

Yes, hosted on the Company's website www.mafatlals.com/investors and submitted to BSE Ltd.

v) Presentations made to institutional investors or to the analysts:

Yes, the Company makes presentations on the operational and financial highlights to the analysts which are hosted on the Company's website www.mafatlals.com/investors and submitted to BSE Ltd.

12. GENERAL SHAREHOLDER INFORMATION:

i) Annual General Meeting:

111th Annual General Meeting of the Company will be held on **Monday, August 4, 2025, at 3.30 p.m.** through video conferencing/ Other Audio/ Visual Means. However, for the purpose of record/jurisdiction, the venue is deemed to be the Registered Office of the Company situated at 301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009.

ii) Financial year:

The financial year covers the period April 1 to March 31.

Financial reporting for financial year 2025-26 (tentative):

Quarter ending June 30, 2025	August, 2025
Quarter ending September 30, 2025	November, 2025
Quarter ending December 31, 2025	February, 2026
Year ending on March 31, 2026	May, 2026
Annual General Meeting	July/August, 2026

iii) Dividend Payment Date:

On or after August 16, 2025, If approved at the forthcoming 111th Annual General Meeting. Friday, July 25, 2025, is the cut-off date for determining the eligibility of members entitled to receive the dividend.

iv) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

The Equity Shares of the Company are listed on:

1. BSE Limited
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Mumbai – 400 001
2. Ahmedabad Stock Exchange (ASE)

   ASE is non-operational for the last many years since they opted for exit under SEBI Guidelines. The trading platform of the ASE is also non-operational. ASE has advised not to file any information/ forms or compliance of listing provisions.

   The Company has paid Listing Fees for the financial year 2024-25 to BSE Limited.

v) Stock code:

- BSE Limited: Security Code: 500264
- Ahmedabad Stock Exchange Ltd. (not operational): Security Code: 34100

vi) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof:

Not applicable.

vii) Registrar and Share Transfer Agent:

M/s. Kfin Technologies Limited
Selenium Tower B, Plot No. 31&32, Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

viii) Share Transfer System:

As per Regulation 40 of the SEBI (LODR) Regulations 2015, as amended, securities of listed entities can be transferred only in dematerialized form, with effect from April 1, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are affected through the Depositories with no involvement of the Company. No Director or the Company Secretary of the Company is empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Further, SEBI vide its Circular dated January 25, 2022, clarified that the RTA/ listed company shall verify and process the service requests and thereafter issue a 'Letter of Confirmation (LOC)' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' (LOC) shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerializing the said securities.

ix) Distribution of Shareholding as on March 31, 2025:

MAFATLAL INDUSTRIES LTD					
Distribution of Shareholding as on March 31, 2025 (TOTAL)					
Sr. no	**Category (Shares)**	**No. of Holders**	**% To Holders**	**No. of Shares**	**% To Equity**
1	1-50	40,855	72.46	6,72,274	0.93
2	51-500	12,401	21.99	21,61,752	3.01
3	501-1000	1,335	2.37	10,77,824	1.50
4	1001-2000	847	1.50	13,24,316	1.84
5	2001-3000	327	0.58	8,32,512	1.16
6	3001-4000	116	0.21	4,17,022	0.58
7	4001-5000	125	0.22	5,97,971	0.83
8	5001-10000	184	0.33	13,45,963	1.87
9	10001 and above	194	0.34	6,34,80,796	88.28
	TOTAL:	**56,384**	**100.00**	**7,19,10,430**	**100.00**

Corporate Governance Report (Contd.)

x) **Shareholding Pattern:**

Shareholding Pattern as on March 31, 2025

Sr. No.	Category	Number of Shares Held	% of holding
1	Promoter and Promoter Group	5,00,22,470	69.56
2	Mutual Funds/UTI	200	0.00
3	Banks	4,440	0.01
4	Foreign Institutional Investors (FIIS)	4,23,961	0.59
5	Bodies Corporate	34,08,714	4.74
6	Indian Public	1,41,04,670	19.61
7	Investor Education and Protection Fund	10,72,644	1.49
8	Non-resident Indians	6,25,596	0.87
9	Others (Trust, NBFC, Insurance Company etc.)	22,47,735	3.13
	Total	**7,19,10,430**	**100.00**

xi) **Dematerialization of shares and liquidity:**

The equity shares of the Company are under compulsory trading in demat form. The demat code of the Equity Shares of the Company is INE270B01035. As on March 31, 2025, 31,139 shareholders holding 7,12,16,525 equity shares have dematerialized their shares which constitutes 99.04% of the total paid-up equity share capital of the Company.

The equity shares of the Company are traded only at BSE Limited. There has been no trading activity at the Ahmedabad Stock Exchange Limited for many years.

xii) **Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any ADRs/ GDRs/ Warrants or any Convertible instruments.

xiii) Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails IDs, nomination and power of attorney should be given to the Company's RTA. Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail IDs, nomination and power of attorney should be given directly to the Depository Participants.

For furnishing PAN, KYC details and Nomination shareholders may visit RTA website at https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDNI%3d.

Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities:

Pursuant to SEBI mandate, it is mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers. In case of non-updation of PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signatures in respect of the physical folios, no dividend shall be paid to the investor until all the aforesaid KYC details are updated by the investor. Once updated, all the unclaimed dividend previously declared by the Company shall be paid to the shareholder electronically.

xiv) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular dated July 11, 2023, is not required to be given. The Company follows a conservative and risk-averse approach towards managing its foreign currency exposure. Hence, the Company endeavors to mitigate the risk associated with the exchange rate fluctuation by entering into a hedging contract wherever it is found appropriate, with the Company's Bankers and/or permitted intermediaries in conformity with the applicable regulatory provisions and guidelines and Company Policy on risk management.

xv) Plant Factory location:

Nadiad Unit: Kapadwanj Road, Nadiad 387001, Gujarat

Sangli Unit: MIDC, Kupwad, Taluka: Miraj, Sangli 416436, Maharashtra

Mazgaon Unit: Rambhau Bhogale Marg, Mazgaon, Mumbai 400010, Maharashtra (Non-Operational)

xvi) Address for Correspondence:

Hyderabad Address:	Mumbai Address:	Ahmedabad Address:
Kfin Technologies Limited (RTA) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500 032, India. Tel: 18003094001 E-mail: einward.ris@kfintech.com website: www.kfintech.com	Kfin Technologies Limited (RTA) 6/8 Ground Floor Crossely House Near BSE Limited Next Union Bank, Fort, Mumbai - 400001 Tel.: +91-22-46052082 E-mail: mumbaimfd@kfintech.com	Kfin Technologies Limited (RTA) Office No. 401 on 4th Floor, ABC-I, Off. C.G. Road, Ahmedabad - 380009. Contact No.: +91-9081903021 E-mail: ahmedabadmfd@kfintech.com

The dedicated email id for the shareholders of the Company to make correspondence with Kfintech is einward.ris@kfintech.com.

For the convenience of the shareholders of the Company, the documents will also be continued to be accepted by the Company at its Registered Office and at its Corporate Office.

Mafatlal Industries Limited

Corporate Identity Number: L17110GJ1913PLC000035

Registered Office:	Corporate Office:
301-302 Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad - 380009. Tel: 079 26444404-06, Email: ahmedabad@mafatlals.com Website: www.mafatlals.com	Mafatlal House, 5th Floor, H.T. Parekh Marg, Backbay Reclamation, Mumbai - 400020, Telephone: +91-22-6617 3636, Fax No: +91-22-6635 7633

xvii) Credit ratings:

The Company has obtained its credit rating from:

Acuite Ratings and Research Limited (Amount ₹ in Crores)

Dated	Facilities	Amount	Long Term Rating	Short Term Rating
June 21, 2024	Bank Loan Ratings	32.00	ACUITE BBB+/ Stable/Assigned	-
	Bank Loan Ratings	140.00	ACUITE BBB+/ Stable/Upgraded	-
	Bank Loan Ratings	95.00	-	ACUITE A2/Assigned
	Bank Loan Ratings	56.00	-	ACUITE A2/Upgraded
	Total	**323.00**	**-**	**-**

CARE Ratings Limited

Dated	Facilities	Amount	Rating	Rating Action
October 4, 2024	Long-Term Bank Facilities	79.30	CARE BBB+; Stable	Upgraded from CARE BBB; Stable
	Long-Term/Short-Term Bank Facilities	176.70	CARE BBB+; Stable/ CARE A2	Upgraded from CARE BBB; Stable/CARE A3+
	Short-Term Bank Facilities	67.00	CARE A2	Upgraded from CARE A3+
	Total	**323.00**	**-**	**-**

xviii) Other Disclosures:

a) **Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of listed entity at large:**

None. There has been no materially significant Related Party Transaction entered into by the Company during the financial year under review.

b) **Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority on any matter related to capital markets during the last three years:**

There were no instances of non-compliance with any matter related to capital markets during the last three years and the Company has complied with the requirements of regulatory authorities on capital markets. However, on June 28, 2024, BSE Limited imposed a nominal fine of ₹ 5,000 on the Company due to a one-day delay in the XBRL filing of disclosures relating to related party transactions on a consolidated basis, pursuant to Regulation 23(9) of the SEBI (LODR) Regulations, 2015. The delay was inadvertent and occurred due to a malfunction in the revalidation process of the XBRL file. The issue was promptly identified and resolved and the Company has since strengthened its internal controls to prevent re-occurrence.

c) **Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:**

In conformity with the requirements of Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 read with the amended SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has devised a Vigil Mechanism and has Whistle Blower Policy which gets amended wherever required, under which the Company takes cognizance of complaints made by the employees and others.

No employee of the Company/ no other person has been denied access to the Audit Committee of the Board of Directors of the Company. During the year under review, no complaint has been received from any whistle blower. The Whistle Blower Policy of the Company has been posted on the website of the Company and is available at www.mafatlals.com/investors/.

d) Disclosure under The Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 read with other applicable provisions. Internal Complaints Committees are constituted and regularly redress Complaints, if any. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment. During the year under review, no complaint has been received in respect of Sexual Harassment from any of the employees of the Company and necessary disclosure for the same have been given to the concerned Government Departments for respective locations.

a. Number of complaints pending at the beginning of the financial year (April 1, 2024): NIL

b. Number of complaints filed during the financial year: NIL

c. Number of complaints disposed-off during the financial year: NIL

d. Number of complaints pending as at the end of the financial year (March 31, 2025): NIL

e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI Listing Regulations.

Further, the Company has also complied with the non-mandatory requirement of direct reporting of the Internal Auditors to the Audit Committee in respect of their findings/observation on Internal Audit carried on by them on quarterly basis as per the Internal Audit plans approved by the Audit Committee.

f) Web link where policy for determining 'material' subsidiaries:

The Company does not have a 'material subsidiary'. The policy for determining material subsidiary is posted on the Company website as following link: www.mafatlals.com/investors/.

g) Web link where policy on dealing with related party transactions: www.mafatlals.com/investors/.

h) The Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the shareholders. The Dividend Distribution Policy is posted on the Company website as following link: www.mafatlals.com/investors/

i) The Company has not raised funds through a preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

However, during the year, the Company made an allotment of 12,000 (2nd Grant) and 3,95,500 (3rd Grant) equity shares of ₹ 2/- each under the Mafatlal Employee Stock Option Scheme 2017 issued at ₹ 15.73 and ₹ 36.20 each share, respectively.

j) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

Corporate Governance Report (Contd.)

k) The Board of Directors accepted all recommendations from all the Committees of the Board during the financial year 2024-25.

l) **Total fees for all services paid by the Listed Entity and its Subsidiary, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part.**

Description of Service	Amount (₹ in Crores)
Statutory Audit Fees	0.37
Limited Reviews	0.15
Certification Fees	0.01
Re-imbursement of Expenses	0.01

The Statutory Auditors of the Company have not provided any services to the subsidiary of the Company. No fee is paid by the subsidiary to the Statutory Auditors of the Company, M/s Price Waterhouse Chartered Accountants LLP.

m) **Disclosures with respect to IEPF, Demat suspense account/unclaimed suspense account and Dividend:**

In terms of Section 124 of the Companies Act, 2013, the amount that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF). During the year, an unclaimed dividend amount of ₹ 4,86,570/- for the financial year 2016-17 was transferred to the IEPF. In terms of Section 124(6) of the Companies Act, 2013, the Company has transferred 1,84,959 equity shares of ₹ 2/- each of 8,400 shareholders in respect of which the dividend has not been claimed for a period of seven years to the demat account of IEPF Authority.

The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements before such transfer in favor of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at www.mafatlals.com under 'investors' section.

Members who have not claimed their dividend declared and paid by the Company are requested to claim their dividend in order to avoid to transfer the same into the Investor Education and Protection Fund. Members are requested to register their Bank details with their DP to receive credit of dividend in time.

The details of shares transferred to/released from Suspense Escrow Demat Account (SEDA) during the financial year 2024-25 are as under:

a. Number of aggregate shareholders and outstanding shares in the unclaimed suspense account as on April 1, 2024: 21 (765 Equity Shares)

b. Number of Shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year of complaints filed during the financial year: 03 (205 Equity Shares)

c. Number of Shareholders to whom shares were transferred from unclaimed suspense account during the year: 03 (205 Equity Shares)

d. Aggregate number of shareholders and the outstanding shares in unclaimed suspense account as on March 31, 2025: 32 (915 Equity Shares)

n) **The disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 shall be made in the Section on Corporate Governance of the Annual Report:**

The Company has complied with all the mandatory Corporate Governance requirements as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and part C, D and E of Schedule V of the SEBI Listing Regulations. The discretionary requirements as stipulated in Part E of Schedule II of the SEBI Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.

o) The Company's financial statements for the financial year 2024-25 do not contain any audit qualification.

p) Disclosure of accounting treatment different from accounting standards:

There is no deviation in following the treatments prescribed in any Accounting Standard in preparation of financial statements for the financial year 2024-25.

q) The Company presently is having a separate post of an Executive Chairman and the Managing Director and Chief Executive Officer.

r) Code of Conduct for Board Members and Senior Management:

The Board of Directors has laid down a Code of Conduct for all Board Members and members of the senior management and Code of Conduct to Regulate, Monitor and Report Trading in securities by Designated Persons & their Immediate Relatives under Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended.

The Code was placed on the Company's website www.mafatlals.com/investors/. A certificate from the Chief Executive Officer, affirming compliance of the said Code by all the Board members and members of the senior management to whom the Code was applicable, is annexed to this report. Further, the Directors and the Senior Management of the Company submitted a disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large. The Company has also installed a dedicated software tool to maintain Structured Digital Database (SDD) as required by the SEBI (Prohibition of Insider Trading) Regulations, 2015.

s) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any material subsidiary.

t) Online Dispute Resolution Portal:

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market The said Circular, inter alia, details about the following key aspects:

- Investors, listed companies, specified intermediaries, and regulated entities have been covered under the ambit of ODR Portal.
- Introduction of a common ODR Portal.
- Process for initiation of the dispute resolution process on ODR Portal.
- Procedure for conciliation and arbitration, its form of proceedings and fees & charges thereto; and

Corporate Governance Report (Contd.)

- Roles and responsibilities of Market Infrastructure Institutions like Stock Exchanges and Depositories and Market Participants like listed entity and RTA.

The shareholders can access the ODR Portal at https://smartodr.in/login

u) Disclosure on loans or advances:

There have been no loans or advances extended by the Company or its subsidiary, which bear resemblance to loan to any firms or companies where the Directors of the Company hold an interest.

v) Management Discussion and Analysis:

Management Discussion and Analysis forms a part of this Annual Report.

w) Reporting of Internal Auditor:

The Internal Auditors of the Company make presentations to the Audit Committee on their reports as per the approved audit programs by the Audit Committee at the beginning of the year on a quarterly basis.

x) Cyber security incidents or breaches or loss of data or documents

During the financial year, no cyber security incidents, breaches or losses of data or documents have been recorded.

y) Website of the Company and Investor

The Company has a dedicated section 'Investor' on its website at https://www.mafatlals.com/investors/ which encompasses all the information for the Investors like Financial Results, Policies and Codes, Stock Exchange filings, Press Releases, Annual Reports, etc.

z) CEO/ CFO certification

The Chief Executive Officer and Chief Financial Officer of the Company give (a) annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 (b) quarterly certification on the financial results to the Board in terms of Listing Regulations.

aa) Disclosure of certain types of agreements binding Listed Entities

There is no such agreement which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors
Mafatlal Industries Limited,

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: May 13, 2025

Regd. Office:
Mafatlal Industries Limited
(CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009.
Tel: 079 – 26444404-06
Email: ahmedabad@mafatlals.com Website: www.mafatlals.com

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Declaration regarding Affirmation of Code of Conduct

In terms of the requirements of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, this is to confirm that all the members of the Board and Senior Management personnel of the Company have affirmed the compliances with the Code of Conduct of the Company for the financial year ended on March 31, 2025.

M. B. Raghunath
Chief Executive Officer (CEO)
Place: Mumbai
Date: May 13, 2025

Regd. Office:
Mafatlal Industries Limited
(CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road, Navrangpura, Ahmedabad 380009.
Tel: 079 – 26444404-06
Email: ahmedabad@mafatlals.com : Website: www.mafatlals.com

Certification By Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Pursuant to Clause 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. M. B. Raghunath, Chief Executive Officer and Mr. Milan P. Shah, Chief Financial Officer of the Company, have certified to the Board that:

a) They have reviewed the Financial Statement and the Cash Flow Statement for the financial year 2024-25 and that to the best of their knowledge and belief:
   I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   II. These statements together present a true and fair view of the Company's affairs and are compliant with existing Accounting Standards, applicable Laws and Regulations.
b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of Company's Code of Conduct.
c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.
d) They have indicated to the Auditors and the Audit Committee:
   I. That there are no significant changes in the internal control over financial reporting during the financial year.
   II. There are no significant changes in the Accounting Policies during the financial year, and
   III. There are no instances of significant fraud of which they have become aware.

For, **Mafatlal Industries Limited**

Place: Mumbai
Date: May 13, 2025

M. B. Raghunath
Chief Executive Officer (CEO)

Milan P. Shah
Chief Financial Officer (CFO)

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Mafatlal Industries Limited

1. This certificate is issued in accordance with the terms of our agreement dated April 15, 2025.

2. The accompanying Statement containing the details of compliance with the conditions of Corporate Governance of Mafatlal Industries Limited (the "Company") for the year ended March 31, 2025 (the "Statement") has been prepared by the Management of the Company in connection with the requirements for the Company's compliance with the conditions of Corporate Governance set out in Regulations [17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V] ("the Conditions of Corporate Governance") in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("the SEBI Listing Regulations, 2015"), pursuant to the request received from Amish Shah Company secretary vide email dated April 09, 2025 (the 'Request') as per requirement of para E of Schedule V of SEBI Listing Regulations, 2015 ('Requirement').

MANAGEMENT'S RESPONSIBILITY FOR THE STATEMENT

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the Company's compliance with the Conditions of Corporate Governance listed in SEBI Listing Regulations, 2015.

4. The Management is also responsible for ensuring that the Company complies with the Conditions of Corporate Governance in the SEBI Listing Regulations, 2015, and that it provides complete and accurate information as requested.

AUDITORS' RESPONSIBILITY

5. Pursuant to the Request, it is our responsibility to examine the Statement and the underlying audited books of account and records of the Company and certify whether the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

6. The financial statements relating to the books of account and records referred to in paragraph 5 above have been audited by us pursuant to the requirements of Companies Act, 2013, on which we issued an unmodified audit opinion vide our report dated May 13, 2025. Our audit of these financial statements has been conducted in accordance with the Standards on Auditing referred to in Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' and, to the extent considered applicable, the 'Guidance Note on Certification of Corporate Governance' both issued by the ICAI. The 'Guidance Note on Reports or Certificates for Special Purposes' requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements'.

9. Our examination, as referred to in paragraph 7 above, is neither an audit nor an expression of opinion on the financial statements of the Company.

CONCLUSION

10. Based on our examination as set out in paragraphs 7 and 9 above and the information and explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

11. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTION ON USE

12. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

13. This certificate has been addressed to the members of the Company and issued at the request of the Board of Directors of the Company solely to be annexed with the Director's report to enable the Company to comply with its obligations under SEBI Listing Regulations, 2015. Our certificate should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any person other than the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN:25102022BMOKWG2499

Place: Mumbai
Date: May 13, 2025

ANNEXURE III TO DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANICAL YEAR ENDED ON 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

MAFATLAL INDUSTRIES LIMITED,

301-302, Heritage Horizon, Third Floor, off. C. G. Road,

Navrangpura, Ahmedabad - 380009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mafatlal Industries Limited** (hereinafter referred as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit covering the year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not attracted during year under review)**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)'and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

(vi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is as under:

1. Explosives Act, 1884
2. Essential Commodities Act, 1955
3. Textile Committee Act, 1963
4. Textile (Development & Regulation) Order, 2001.
5. Textile (Consumer Protection) Regulations, 1988
6. Electricity Act, 2003
7. Public Liability Insurance Act, 1991
8. Information Technology Act, 2000
9. The Factories Act, 1948

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The reconstitution in the management that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance following due procedures prescribed under applicable provisions/standards and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Secretarial Audit Report (Contd.)

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company has following specific event/action having a major bearing on the Company's Affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.: -

1. An application was made for the amendment into the order dated 29.04.2024 CP(CAA)/09(AHM)2024 in CA(CAA)/61 (AHM) relating to the appointed date.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, have accepted the application vide its order dated 27.06.2024 and accordingly the appointed date for the scheme to be effective was 31.03.2023

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
COP No.: 2924
Peer Review No.: 766/2020
UDIN: F004411G000333861

Date: May 13, 2025
Place: Ahmedabad

To,
The Members,
MAFATLAL INDUSTRIES LIMITED,
301-302, Heritage Horizon, Third Floor, off. C. G. Road,
Navrangpura, Ahmedabad - 380009

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
COP No.: 2924
Peer Review No.: 766/2020
UDIN: F004411G000333861

Date: May 13, 2025
Place: Ahmedabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Mafatlal Industries Limited
301-302, Heritage Horizon,
Third Floor, Off C.G. Road,
Navrangpura, Ahmedabad-380 009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mafatlal Industries Limited** having CIN: L17110GJ1913PLC000035 and having registered office at 301-302, Heritage Horizon, Third Floor, Off C.G. Road, Navrangpura, Ahmedabad-380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

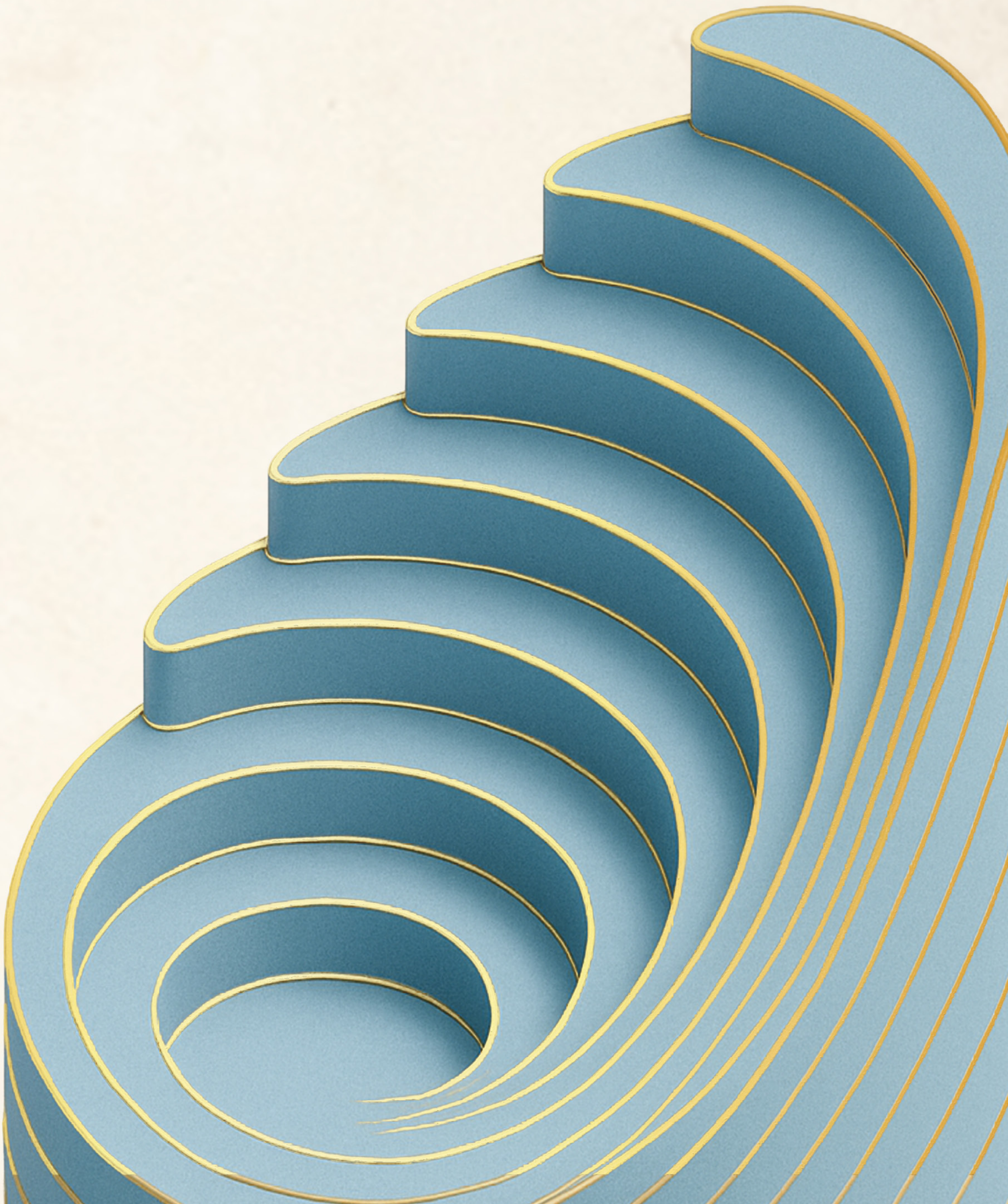
Sr. No.	Name of Director	DIN	Date of appointment in the Company
1	Gautam Gangaprasad Chakravarti	00004399	May 30, 2015
2	Hrishikesh Arvind Mafatlal	00009872	May 3, 1979
3	Atul Kumar Srivastava	00046776	October 10, 2012
4	Sujal Anil Shah	00058019	May 30, 2015
5	Archana Niranjan Hingorani	00028037	February 4, 2025
6	Priyavrata Hrishikesh Mafatlal	02433237	November 1, 2016
7	Desh Deepak Khetrapal	02362633	February 4, 2025
8	Jyotin Kantilal Mehta	00033518	October 26, 2024
9	Ashutosh Bishnoi	02926849	May 27, 2024
10	Abhay Rohit Jadeja	03319142	May 27, 2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
COP No.: 2924
Peer Review No. 766/2020
UDIN: F004411G000333828

Date: May 13, 2025
Place: Ahmedabad

Financial Statements



INDEPENDENT AUDITOR'S REPORT

To the Members of Mafatlal Industries Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Mafatlal Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income comprising of profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to Note 49(b) to the standalone financial statements relating to the National Company Law Tribunal, Ahmedabad ('NCLT') order dated April 29, 2024 (the 'NCLT order') approving a Scheme of reduction and reorganisation of capital (the 'Scheme') with an Appointed / Effective date of March 31, 2024, against which the Company had filed an interlocutory application with NCLT seeking modification to reinstate the Appointed date of April 01, 2022 in the NCLT order, in accordance with the Scheme filed on October 10, 2023. The aforesaid interlocutory application was heard by the NCLT on June 13, 2024 where the Company additionally filed an application seeking change in the Appointed Date to March 31, 2023. The NCLT, vide its order dated June 27, 2024, has allowed the Appointed date of March 31, 2023, and consequently, the accounting effect to the reserves and surplus balances has been given in the standalone financial statements for the year ended March 31, 2025. Our opinion is not modified in respect of this matter.

Key audit matter

5. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of recoverability of deferred tax assets: Refer Note 36(e) to the standalone financial statements. The Company has recognised Deferred Tax Assets ('DTA') on temporary differences including accumulated losses and unabsorbed depreciation as it is considered to be recoverable based on the Company's projected taxable profits in the forecast period. The carrying value of DTA (net) is ₹ 59.69 crores as at March 31, 2025. We considered this a key audit matter because significant judgement is required by the Company in determining the recoverability of DTA recognised as the realisation of tax benefits is dependent on future taxable profits and there are inherent uncertainties involved in forecasting such profits.	Our audit procedures included the following: • Evaluation of the design and testing operating effectiveness of Company's controls relating to the assessment of carrying amount of DTA. • Assessed the appropriateness of the Company's accounting policy in respect of recognizing DTA on temporary differences including accumulated losses and unabsorbed depreciation. • Obtained the future taxable profit projections prepared by the management and assessed the reasonableness of the assumptions used in such preparation and compared actual results to management's historical forecasts. • Verified the mathematical accuracy of the calculations underlying the profit projections. • Assessed the appropriateness of tax rate applied to the future taxable profits. • Evaluated whether the taxable temporary differences, on which DTA is recognised, has been assessed by the tax authorities and is available for utilisation in accordance with the provisions of the Income-tax Act, 1961. • Assessed the adequacy of disclosures made in the standalone financial statements with regard to deferred taxes.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including

Independent Auditor's Report (Contd.)

the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the

Independent Auditor's Report (Contd.)

Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 43 and 50 to the standalone financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53(vi) to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53(vi) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.

As stated in Note 17(a) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained in case if any modification is done by certain users with specific access, for certain records and the audit trail is not maintained for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

17. The Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 25102022BMOKWB3172

Place: Mumbai
Date: May 13, 2025

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Mafatlal Industries Limited on the standalone financial statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to standalone financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Mafatlal Industries Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions

of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 25102022BMOKWB3172

Place: Mumbai
Date: May 13, 2025

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15 of the Independent Auditor's Report of even date to the members of Mafatlal Industries Limited on the standalone financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and Investment properties.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment and Investment properties are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than self-constructed properties and properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Notes 3(a) and 4 on Property, Plant and Equipment and Investment Properties respectively to the standalone financial statements, are held in the name of the Company, except for the following:

Description of Property	Gross carrying value (₹ In Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Leasehold land	0.08	Mafatlal Industries Limited	No	April 1, 1993	The lease is in the process of being renewed

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory noticed on physical verification of inventory by Management, and have been appropriately dealt with in the books of account.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account [Also, refer Note 53(xii) to the standalone financial statements].

iii. (a) The Company has made investment in one company and granted unsecured loans to Employees. The aggregate amount during the year is ₹ 0.01 crore, and balance outstanding at the balance sheet date with respect to such loans is ₹ 0.01 crore. The Company has not granted secured loans or advances in the nature of loans, or stood guarantees or provided securities during the year to any parties.

(b) In respect of the aforesaid investment and loans, the terms and conditions under which such loans were granted or investment was made are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed / extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans / advances in nature of loans which were granted during the year, to promoters / related parties.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. In our opinion the company has complied with provisions of section 186 of the Act in respect of investment made.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing undisputed statutory dues, including employees' state insurance, duty of excise, provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess, goods and services tax and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 43(e) to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Due date	Date of Payment
Employee's State Insurance Act, 1948	Interest on ESIC	0.41	2000-2007 and April 2008 to May 2010	2000 to 2007 and 2008 to 2010	Not paid
Central Excise Act, 1944	Central Excise	0.03	April 1986 to October 1986, May 1995 to December 1995	1986 and 1995	Not paid

Annexure B to Independent Auditor's Report (Contd.)

(b) There are no statutory dues of employees' state insurance, provident fund, and value added tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount unpaid (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Central Excise	0.13	-	1998-2000, 2002-03	Supreme Court
Central Excise Act, 1944	Central Excise	0.39	0.03	1989-1990 to 2003-2004	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Central Excise	0.08	-	1999-2000	Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	29.15	0.46	2007-2008 to 2009-2010	Gujarat High Court
Central Excise Act, 1944	Central Excise	0.81	-	1997-1999	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Central Excise	0.01	-	2006-2011	Assistant Commissioner of Central Excise
Customs Act, 1944	Customs Duty	0.05	-	1989-1990 to 1999-2000	Joint Director General of Foreign Trade
Bombay Sales Tax Act, 1959	Sales Tax	0.23	0.24	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II
Central Sales Tax Act, 1956	Central Sales Tax	0.01	0.01	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II
Finance Act, 1994	Service Tax	0.01	-	1997-1999	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
CGST Act 2017	Goods and Service Tax	1.72	0.92	2017-2018 to 2019-2020	Commissioner (Appeals-I), CGST & C. Ex., Mumbai
CGST Act 2017	Goods and Service Tax	0.35	-	2018-2019	Assistant Comm of State Tax, Gujarat
Income Tax Act, 1961	Income Tax	1.39	-	Assessment Years 1997-1998	Bombay High Court
Income Tax Act, 1961	Income Tax	19.03	-	Assessment Years 1997-1998, 1998-1999, 2012-2013, 2015-2016 to 2019-2020	Commissioner of Income Tax

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 53(ix) to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

Annexure B to Independent Auditor's Report (Contd.)

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 25102022BMOKWB3172

Place: Mumbai
Date: May 13, 2025

STANDALONE BALANCE SHEET

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	74.63	79.77
Right-of-use assets	3(b)(i)	1.74	0.42
Capital work-in-progress	3(a)	0.44	-
Investment properties	4	2.00	2.09
Intangible assets	5	5.72	3.32
Financial assets			
i. Investment in subsidiaries	6(A)(a)	0.88	0.28
ii. Other investments	6(A)(b),(B),(C)	443.39	631.47
iii. Trade receivables	10	0.80	1.07
iv. Other financial assets	7	4.91	3.55
Deferred tax assets (net)	36(e)	59.69	14.93
Other non-current assets	8	1.89	0.53
Current tax assets (net)	36(g)	19.76	20.55
Total non-current assets		**615.85**	**757.98**
Current assets			
Inventories	9	97.29	79.92
Financial assets			
i. Trade receivables	10	479.38	638.10
ii. Cash and cash equivalents	11	51.17	182.24
iii. Bank balances other than (ii) above	12	111.01	85.36
iv. Loans	13	0.01	0.01
v. Other financial assets	14	10.02	16.94
Other current assets	15	25.48	45.88
Total current assets		**774.36**	**1,048.45**
TOTAL ASSETS		**1,390.21**	**1,806.43**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	14.38	14.30
Other equity	17		
i. Reserves and surplus		312.23	218.61
ii. Other reserves		414.76	581.65
Total equity		**741.37**	**814.56**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	22.54	27.19
ii. Lease liabilities	3(b)(ii)	0.98	0.17
iii. Other financial liabilities	19	13.79	19.68
Other non-current liabilities	20	1.49	2.76
Total non-current liabilities		**38.80**	**49.80**
Current liabilities			
Financial liabilities			
i. Borrowings	21	45.75	54.48
ii. Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises; and		9.12	6.92
- total outstanding dues of creditors other than micro enterprises and small enterprises		434.24	758.81
iii. Lease liabilities	3(b)(ii)	0.86	0.29
iv. Other financial liabilities	23	98.51	77.93
Other current liabilities	24	11.88	31.44
Provisions	25	9.68	12.20
Total current liabilities		**610.04**	**942.07**
Total liabilities		**648.84**	**991.87**
TOTAL EQUITY AND LIABILITIES		**1,390.21**	**1,806.43**

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)
Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)
Place: Mumbai
Date: May 13, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	27	2,807.23	2,078.41
Other income	28	34.34	23.66
Other gains (net)	29	3.73	40.15
Total income		**2,845.30**	**2,142.22**
EXPENSES			
Cost of materials consumed		138.24	150.05
Purchases of stock-in-trade		2,297.83	1,556.12
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(17.30)	25.46
Employee benefits expense	31	58.93	60.75
Finance costs	32	10.96	15.34
Depreciation and amortization expense	33	15.03	15.00
Net impairment loss on financial assets	10,14,39	4.31	9.17
Other expenses	34	256.76	231.29
Total expenses		**2,764.76**	**2,063.18**
Profit before exceptional item and tax		**80.54**	**79.04**
Exceptional item	35	(6.00)	-
Profit before tax		**74.54**	**79.04**
Tax expense	36(a)		
- Current tax		-	-
- Deferred tax credit		(23.60)	(19.71)
Total tax expense		**(23.60)**	**(19.71)**
Profit for the year		**98.14**	**98.75**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Changes in fair value of FVOCI equity instruments	17	(187.95)	108.58
- Remeasurements of post-employment benefit obligations charge	41	(0.81)	(1.35)
- Less: Income tax (credit) / charge		(21.16)	9.76
Total Other Comprehensive Income for the year		**(167.60)**	**97.47**
Total Comprehensive (Loss) / Income for the year		**(69.46)**	**196.22**
Earnings per equity share of ₹ 2/- each	46		
Basic (₹)		13.66	13.92
Diluted (₹)		13.59	13.75

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal	**P. H. Mafatlal**	**M. P. Shah**	**A. P. Shah**
Chairman	Managing Director	Chief Financial Officer	Company Secretary
(DIN: 00009872)	(DIN: 02433237)		(Membership No. : ACS20622)
Place: Mumbai	Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: May 13, 2025	Date: May 13, 2025	Date: May 13, 2025	Date: May 13, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 01, 2023		**14.12**
Changes in equity share capital during the year	16	0.18
As at March 31, 2024		**14.30**
Changes in equity share capital during the year	16	0.08
As at March 31, 2025		**14.38**

B. Other equity

Particulars	Attributable to owners of Mafatlal Industries Limited												Total
	Reserves and Surplus											Other Reserves	
	Securities premium Reserve	Retained Earnings	Capital Reserve No.1	Capital reserve No. 2	Capital Reserve on Amalgamation	General Reserve	Capital Redemption Reserve	Capital Investment Reserve	Investment Reserve	Share-Based Payments Reserve	Export Profit Reserve	FVOCI - Equity Instruments	
As at April 01, 2023	**176.72**	**(190.25)**	**0.61**	**0.35**	**36.34**	**6.20**	**83.83**	**0.76**	**0.02**	**2.56**	**0.20**	**483.17**	**600.51**
Profit for the year	-	98.75	-	-	-	-	-	-	-	-	-	-	98.75
Other comprehensive income	-	(1.01)	-	-	-	-	-	-	-	-	-	98.48	97.47
Total comprehensive income	**-**	**97.74**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**98.48**	**196.22**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	0.17	-	-	0.17
Employee share options exercised	4.76	-	-	-	-	-	-	-	-	(1.40)	-	-	3.36
As at March 31, 2024	**181.48**	**(92.51)**	**0.61**	**0.35**	**36.34**	**6.20**	**83.83**	**0.76**	**0.02**	**1.33**	**0.20**	**581.65**	**800.26**
Profit for the year	-	98.14	-	-	-	-	-	-	-	-	-	-	98.14
Other comprehensive loss	-	(0.81)	-	-	-	-	-	-	-	-	-	(166.79)	(167.60)
Total comprehensive loss	**-**	**97.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(166.79)**	**(69.46)**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	2.01	-	-	2.01
Transfer from Share-Based Payments Reserve due to forfeiture and lapse of options	-	0.37	-	-	-	-	-	-	-	(0.37)	-	-	-
Transfer of gain on FVOCI Equity Instruments to Retained Earnings	-	0.10	-	-	-	-	-	-	-	-	-	(0.10)	-
Employee share options exercised	1.92	-	-	-	-	-	-	-	-	(0.55)	-	-	1.37
Dividend paid during the year [Refer Note 17(a)]	-	(7.19)	-	-	-	-	-	-	-	-	-	-	(7.19)
Accounting effect of NCLT order [Refer Note 49(b)]	(69.12)	190.25	(0.61)	(0.35)	(36.34)	-	(83.83)	-	-	-	-	-	-
As at March 31, 2025	**114.28**	**188.35**	**-**	**-**	**-**	**6.20**	**-**	**0.76**	**0.02**	**2.42**	**0.20**	**414.76**	**726.99**

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

For and on behalf of the Board of Directors

Pankaj Khandelia
Partner
Membership Number: 102022
Place: Mumbai
Date: May 13, 2025

H. A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)
Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)
Place: Mumbai
Date: May 13, 2025

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2025
(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flows from operating activities		
Profit before tax	74.54	79.04
Adjustments for:		
Employee share-based payment expense	2.01	0.17
Depreciation and amortization expense	15.03	15.00
Finance costs	10.96	15.34
Net gain on disposal of property, plant and equipment and investment properties	(3.27)	(30.88)
Net gain from sale of development right certificates	-	(9.27)
Net gain from sale of investments	(0.08)	-
Interest income	(8.83)	(5.08)
Apportioned income from Government grants	(0.54)	(0.74)
Dividend income from equity investments designated at fair value through other comprehensive income	(7.60)	(7.59)
Rental income from investment properties	(4.21)	(4.04)
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(5.57)	(4.85)
Bad debts written off	0.85	1.67
Advances written off	-	0.96
Loss allowance on financial assets	3.46	7.50
Loss allowance on deposits	0.87	-
Net unrealized exchange (gain) / loss	(0.38)	0.09
Operating profit before working capital changes	**77.24**	**57.32**
Changes in working capital		
Adjustments for:		
(Increase) / Decrease in inventories	(17.36)	26.32
Decrease / (Increase) in trade and other receivables	180.54	(363.34)
(Decrease) / Increase in trade and other payables	(327.97)	444.32
(Decrease) in provisions	(3.33)	(1.80)
	(168.12)	**105.50**
Cash (used in) / generated from operations	**(90.88)**	**162.82**
Direct taxes refund / (paid) (net of refund received)	1.73	(4.00)
Net cash (outflow) / inflow from operating activities (A)	**(89.15)**	**158.82**
B. Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(12.52)	(6.02)
Payments for investment in mutual fund	(289.89)	-
Investment in subsidiary	(0.60)	-
Proceeds from sale of investment properties (net)	-	10.43
Proceeds from sale of property, plant and equipment	3.33	20.50
Proceeds from sale of mutual fund and others investments	290.09	-
Proceeds from sale of development right certificates	-	9.27
Term deposits matured / (placed) with banks (net)	(26.99)	(57.74)
Interest income received	7.92	4.76
Dividend received from equity investments designated at fair value through other comprehensive income	7.60	7.59
Rental income from investment properties	4.21	4.04
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	5.57	4.85
Net cash outflow from investing activities (B)	**(11.28)**	**(2.32)**

STANDALONE STATEMENT OF CASH FLOWS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. Cash flows from financing activities		
Proceeds from issue of equity shares	1.45	3.54
Dividend paid	(7.19)	-
Non-current borrowings taken	8.63	30.00
Non-current borrowings repaid	(17.16)	(29.15)
Current borrowings taken / (repaid) (net)	(4.81)	(12.79)
Principal element of lease payment	(0.56)	(0.30)
Interest paid on lease liabilities	(0.15)	(0.08)
Interest paid (including other finance costs)	(10.85)	(14.31)
Net cash outflow from financing activities (C)	**(30.64)**	**(23.09)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(131.07)**	**133.41**
Cash and cash equivalents at the beginning of the year	**182.24**	**48.83**
Cash and cash equivalents at the end of the year	**51.17**	**182.24**

Reconciliation of cash and cash equivalents as per the Standalone Statement of Cash Flows

Components of cash and cash equivalents (Refer Note 11)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.03	0.06
Balances with banks:		
(i) In Current accounts	4.29	157.18
(ii) In Deposit accounts with original maturity of less than 3 months	46.85	25.00
	51.17	**182.24**

Non-cash investing activities

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Acquisition of right-of-use assets (net)	1.94	-

Note:

The above Standalone Statement of Cash Flows has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)

Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer

Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)

Place: Mumbai
Date: May 13, 2025

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

1. Background

Mafatlal Industries Limited (the "Company") is a public limited Company incorporated in India having registered office at Ahmedabad, Gujarat. The shares are listed on the Bombay Stock Exchange. The Company belongs to the reputed industrial house of Arvind Mafatlal Group in India, established in 1905. The Company is mainly engaged in textile manufacturing having its manufacturing unit at Nadiad, Gujarat and trading of textile and its related products, digital infrastructure and consumer durable products and others.

2A Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements ('financial statements'). These policies have been consistently applied to all the years presented, unless otherwise stated.

i. Basis of Preparation

(a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended) ('the Rules') and other relevant provisions of the Act.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair values;
- Assets held for sale - measured at fair value less cost to sell or their carrying amount whichever is lower;
- Defined benefit plans - plan assets measured at fair value, and
- Share-based payments

(c) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated September 09, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended / notified certain accounting standards (see below), and are effective for annual reporting period on or after April 01, 2024:

- Insurance contracts - Ind AS 117
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

ii. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM consists of Chairman and Managing Director who are responsible for allocating resources and assessing performance of the operating segments. Refer Note 45 for segment information presented.

iii. Revenue Recognition

Sale of goods

Revenue is recognized when the control of the goods is transferred to customer, being when the goods are shipped or delivered to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped or delivered to the specific location as the case may be, the risks of obsolescence and loss has been transferred, and either the customer has accepted the goods in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue is recognized based on the price specified in the contract, net of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government, which are levied on sales such as goods and services tax, sales tax, value added tax, etc. Discounts given includes rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

A receivable is recognized when the goods are shipped or delivered, as per the terms of sales contract as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sale of services

Revenue from services is recognized in the accounting period in which the services are rendered.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

iv. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Depreciation is calculated on a pro-rata basis from the date of acquisition / installation till the date the assets are sold or disposed of:

Asset category	Estimated useful life
Buildings	30 to 60 years
Plant and Machinery	9.5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers and hardware	3 years

Leasehold land presented under Right-of-Use Assets.

Individual assets acquired for less than ₹ 0.05 Lakhs are entirely depreciated in the year of acquisition. The residual values are not more than 5% of the original cost of the asset.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Refer note 2B (v) in other accounting policies below relevant to Property, plant and equipment.

v. Intangible assets

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Computer software cost is amortized over a period of 3 years using straight-line method.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Refer note 2B (vii) in other accounting policies below relevant to Intangible assets.

vi. Investment properties:

Land and building that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property.

The building component of investment properties net of residual value are depreciated using the straight-line method over their estimated useful life of 30 to 60 years from the date of capitalization.

Refer note 2B (viii) in other accounting policies below relevant to Investment properties.

vii. Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is fair value less cost of disposal. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

viii. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

ix. Inventories

Raw materials, packing materials, work-in-progress, finished goods, goods in transit, stock-in-trade, stores and spares other than specific spares for machinery are valued at cost or net realizable value whichever is lower.

Items of inventory are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost is determined on the following basis:

- Stores, spares, raw materials, packaging material and stock-in-trade - Weighted average cost
- Work-in-progress and finished goods - Material cost plus appropriate value of overheads
- Others (land) - At cost on conversion to stock-in-trade plus cost of improvement

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

x. Investments and other financial assets

(a) *Classification*

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election (on an instrument-by-instrument basis) at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) *Subsequent measurement*

After initial recognition, financial assets are measured at:

- Fair value {through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- Amortized cost

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary Company, associate Company and joint venture at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss where FVOCI option is chosen. Dividends from such investments continue to be recognized in the Statement of Profit and Loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies:

Investments in subsidiary companies is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(c) *Impairment of financial assets*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost (e.g. trade receivables, other contractual rights to receive cash or other financial assets). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Company's assessment is that credit risk in relation to sales made to government customers or sub-contractors to government customers is extremely low as the probability of default is insignificant.

For all non-government customers, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. Further, the Company assesses credit risk on an individual

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

basis in respect of certain customers in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery.

(d) *Income recognition:*

- **Interest income**

  Interest income from financial assets at amortized cost is calculated using the effective interest rate method and is recognized in the Statement of Profit and Loss.

  Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after the deduction of loss allowance).

- **Dividends**

  Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

  Refer note 2B (viii) in other accounting policies below relevant to Investment and other financial assets.

xi. Financial liabilities and equity instruments

(i) *Classification as debt or equity*

Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

(ii) *Initial recognition and measurement*

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(iii) *Subsequent measurement*

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(iv) *Derecognition*

A financial liability is de-recognized when the obligation specified in the contract is discharged, cancelled or expires. A financial liability is extinguished when the debtor either:

a) discharges the liability by paying the creditor, normally with cash, other financial assets, goods or services or;

b) is legally released from primary responsibility for the liability either by process of law or by the creditor.

xii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xiii. Employee benefits

(a) *Post-employment obligations*

Defined Benefits plan

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognized in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to trusts administered by the Company for all employees, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognized as a liability with a corresponding charge to the Statement of Profit and Loss.

Provident fund contributions for certain employees are made to a trust administered by the Company in India. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Company is additionally provided. Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

Defined contribution plan

The Company contributes towards Employees State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees, which are defined contribution schemes.

Refer note 2B (xvii) in other accounting policies below relevant to Employee benefits.

2.1 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgments are:

- Estimation of useful life of property, plant and equipment: Notes 2A(iv), 2B(v) and 3(a)
- Loss Allowance on trade receivables: Refer Notes 10 and 39
- Recoverability of deferred tax assets: Refer Note 36
- Estimation of defined benefit obligation: Note 41
- Contingent Liabilities: Note 43

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2B Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in note 2A above. These policies have been consistently applied to all the years presented, unless otherwise stated.

i. *Foreign Currency Transactions*

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

statements are presented in Indian Rupee (₹), which is the functional and presentation currency of the Company.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

ii. Income tax

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit or Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

iii. Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Eligible export incentives are recognized in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

iv. *Leases*

As a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

v. *Property, Plant and Equipment*

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

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Leasehold improvements are amortized over the period of lease or estimated useful lives of such assets, whichever is lower. Period of lease is either the primary lease period or where the Company as a lessee has the right of renewal of lease, and it is intended to renew for further periods, then such extended period.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Refer note 2A (iv) in material accounting policies above relevant to Property, plant and equipment.

vi. *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, investment properties and intangible assets recognized as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment, investment properties and intangible assets.

vii. *Intangible assets*

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains (net).

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Refer note 2A (v) in material accounting policies above relevant to Intangible assets.

Research and development:

Research expenditure and development expenditure that do not meet the capitalization criteria as mentioned above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

viii. *Investment properties*

Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Refer note 2A (vi) in material accounting policies above relevant to Investment properties.

ix. *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

x. *Trade and other payables*

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xi. *Non-current assets (or disposal groups) held for sale and discontinued operations*

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

xii. *Investments and other financial assets*

(a) Initial recognition and measurement

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Company commits to purchase or sale financial assets. At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(b) Subsequent measurement

Investments in subsidiary companies:

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Fair Value hierarchy

The judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements in the Note 37. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific

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estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

- Measured at amortized cost:

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains / (losses). Impairment losses are presented as separate line item in the Statement of Profit and Loss.

- Measured at fair value through Other Comprehensive Income (FVOCI):

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains / (losses) and impairment expenses are presented as separate line item in Statement of Profit and Loss.

- Measured at fair value through profit or loss (FVPL):

  Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in the other income. Refer note 2A (x) in material accounting policy above relevant to Investments and other financial assets.

(c) Derecognition of financial assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

xiii. *Derivative instruments*

The Company holds derivative financial instruments such as foreign exchange forward and commodity futures to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in prices of raw materials. The counterparty for these contracts is generally a bank.

Derivative financial assets or liabilities are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are expected to be realized within 12 months after the Balance Sheet date.

xiv. *Borrowings*

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xv. *Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

xvi. *Provisions, contingent liabilities and contingent assets*

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each reporting period and reflect the best current estimate. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the

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class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realized.

xvii. *Employee benefits*

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Other long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(c) Post-employment obligations

Defined benefit plans

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution plan

The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Share based payments

The fair value of options granted under the Employee Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such shares are reversed effective from the date of the forfeiture.

Refer note 2A (xiii) in material accounting policies above relevant to Employee benefits.

xviii. Cash dividend and non-cash distribution

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is no longer at the discretion of the Company. As per the Act, a distribution is authorized when it is approved by the shareholders in case of final dividend and by the Board of Directors in case of interim dividend. A corresponding amount is recognized directly in equity.

xix. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

xx. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xxi. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xxii. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xxiii. Exceptional Item

Exceptional item include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

xxiv. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 3(a) - Property, plant and equipment (including capital work-in-progress)

Particulars	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers and hardware	Railway sidings	Total	Capital work-in-progress
Year ended March 31, 2024										
I. Gross carrying amount										
Opening gross carrying amount	0.05	20.29	136.62	3.11	4.45	5.73	0.72	*	170.97	-
Additions	-	0.99	1.02	0.10	-	0.40	0.29	-	2.80	-
Disposals	-	-	(0.76)	(0.01)	(0.12)	(0.42)	(0.24)	-	(1.55)	-
Closing gross carrying amount	**0.05**	**21.28**	**136.88**	**3.20**	**4.33**	**5.71**	**0.77**	*	**172.22**	**-**
II. Accumulated depreciation										
Opening accumulated depreciation	-	2.99	69.39	1.48	1.34	4.52	0.23	*	79.95	-
Depreciation charge during the year (Refer Note 33)	-	0.80	11.50	0.25	0.42	0.33	0.35	-	13.65	-
Disposals	-	-	(0.44)	(0.01)	(0.10)	(0.37)	(0.23)	-	(1.15)	-
Closing accumulated depreciation	**-**	**3.79**	**80.45**	**1.72**	**1.66**	**4.48**	**0.35**	*	**92.45**	**-**
III. Net carrying amount (I - II)	**0.05**	**17.49**	**56.43**	**1.48**	**2.67**	**1.23**	**0.42**	*	**79.77**	**-**
Year ended March 31, 2025										
I. Gross carrying amount										
Opening gross carrying amount	0.05	21.28	136.88	3.20	4.33	5.71	0.77	*	172.22	-
Additions	-	0.31	6.13	0.13	0.05	0.77	0.53	-	7.92	0.44
Disposals	-	-	(3.91)	-	(0.22)	-	-	-	(4.13)	-
Closing gross carrying amount	**0.05**	**21.59**	**139.10**	**3.33**	**4.16**	**6.48**	**1.30**	*	**176.01**	**0.44**
II. Accumulated depreciation										
Opening accumulated depreciation	-	3.79	80.45	1.72	1.66	4.48	0.35	*	92.45	-
Depreciation charge during the year (Refer Note 33)	-	0.85	10.56	0.20	0.41	0.41	0.57	-	13.00	-
Disposals	-	-	(3.87)	-	(0.20)	-	-	-	(4.07)	-
Closing accumulated depreciation	**-**	**4.64**	**87.14**	**1.92**	**1.87**	**4.89**	**0.92**	*	**101.38**	**-**
III. Net carrying amount (I - II)	**0.05**	**16.95**	**51.96**	**1.41**	**2.29**	**1.59**	**0.38**	*	**74.63**	**0.44**

Notes:

(i) Refer Note 48(a) for information on property, plant and equipment pledged as security by the Company.

(ii) Refer Notes 20, 24 and 47 for government grants related to property, plant and equipment.

(iii) The title deeds of immovable properties (other than self-constructed properties and properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company (Also Refer Notes 3(b) and 4).

(iv) The Company has not capitalized any borrowing cost in the current and previous year.

* Amount is below the rounding off norm adopted by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Capital work-in-progress (CWIP):

Particulars	Amounts in capital work-in-progress for period of				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Year ended March 31, 2025					
(i) Projects in progress	0.44	-	-	-	0.44
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**0.44**	**-**	**-**	**-**	**0.44**
Year ended March 31, 2024					
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Notes:

(i) As at March 31, 2025 and as at March 31, 2024, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) Capital work-in-progress mainly comprises of electrical equipments and related products.

Note 3(b) - Leases

(i) Right-of-Use Assets

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount - Buildings		
Opening gross carrying amount	0.85	0.85
Additions	2.05	-
Disposal	(0.18)	-
Closing gross carrying amount	**2.72**	**0.85**
II. Accumulated depreciation - Buildings		
Opening accumulated depreciation	0.43	0.11
Depreciation charge during the year (Refer Note 33)	0.62	0.32
Disposal	(0.07)	-
Closing accumulated depreciation	**0.98**	**0.43**
III. Net carrying amount (I - II)	**1.74**	**0.42**

(ii) Lease Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities		
Current	0.86	0.29
Non-current	0.98	0.17
Total	**1.84**	**0.46**

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Amounts recognized in the Standalone Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of right-of-use assets - Buildings (Refer Note 33)	0.62	0.32
Interest expense (included in finance costs) (Refer Note 32)	0.15	0.08
Expense relating to short-term leases (included in other expenses) (Refer Note 34)	0.22	0.01
Total	**0.99**	**0.41**

(iv) Non-cash investing activities during the year

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Acquisition of right-of-use assets	2.05	-
Disposal of right-of-use assets	(0.11)	-
Total	**1.94**	**-**

(v) The maturity analysis of lease liabilities are disclosed in Note 39(A)(ii).

(vi) The weighted average incremental borrowing rate applied to lease liabilities is 14% p.a.

(vii) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(viii) The total cash outflow for leases for the year ended March 31, 2025 was ₹ 0.71 (March 31, 2024: ₹ 0.39) (including short term lease payments).

Note 4 - Investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount		
Opening gross carrying amount	2.73	2.74
Additions	-	-
Disposals	-	(0.01)
Closing gross carrying amount	**2.73**	**2.73**
II. Accumulated depreciation		
Opening accumulated depreciation	0.64	0.40
Depreciation charge during the year (Refer Note 33)	0.09	0.25
Disposals	-	(0.01)
Closing accumulated depreciation	**0.73**	**0.64**
III. Net carrying amount (I - II)	**2.00**	**2.09**

(i) Investment properties consist of buildings and leasehold land.

(ii) Amounts recognized in the Standalone Statement of Profit and Loss for investment properties:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income from investment properties [Refer note 28]	9.78	8.89
Direct operating expenses towards income from investment that properties generated income	(6.01)	(5.96)
Profit from investment properties before depreciation	**3.77**	**2.93**
Depreciation (Refer Note 33)	(0.09)	(0.25)
Profit from investment properties	**3.68**	**2.68**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

(iii) Leasing arrangements

(a) Operating leases

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between eleven to sixty months and include both cancelable and non-cancelable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancelable operating leases, the future minimum lease receipts as at Balance Sheet date are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Within one year	2.91	2.85
Later than one year but not later than five years	4.44	3.42
Total	**7.35**	**6.27**

b) Finance leases

Investment properties include land portions taken on lease by the Company for a period upto 99 years. The Company has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land, and has thus accounted for the same as finance lease.

(iv) Fair value of investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
Investment properties	74.58	73.38

Estimation of fair value:

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates. All resulting fair value estimates for investment properties are included in level 3. The Company obtains independent valuations from registered valuers for its investment properties annually.

(v) The Company is in the process of getting expired lease renewed in respect of the Lower Parel land with gross and net book value of ₹ 0.08 Lakhs (March 31, 2024: ₹ 0.08 Lakhs).

Note 5 - Intangible assets

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount		
Opening gross carrying amount	9.92	6.53
Additions	3.72	3.39
Closing gross carrying amount	**13.64**	**9.92**
II. Accumulated amortization		
Opening accumulated amortization	6.60	5.82
Amortization during the year (Refer Note 33)	1.32	0.78
Closing accumulated amortization	**7.92**	**6.60**
III. Net carrying amount (I - II)	**5.72**	**3.32**

Notes:

(i) The computer softwares are other than internally generated.

(ii) The remaining useful life of intangible assets ranges from 1 to 3 years as at the year end.

(All amounts in ₹ Crores, unless otherwise stated)

Note 6 - Non-current investments

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Investment in equity instruments (fully paid)		
(a) Subsidiaries - Measured at cost		
Unquoted		
2,72,800 (March 31, 2024: 2,72,800) equity shares of ₹ 100/- each of Mafatlal Services Limited [Gross (-) impairment of ₹ 2.45 (March 31, 2023: ₹ 2.45)]	0.28	0.28
60,00,000 (March 31, 2024: NIL) equity shares of ₹ 1/- each of Pieflowtech Solutions Private Limited	0.60	-
Total (I)	**0.88**	**0.28**
(b) Other Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2024: 79,920) equity shares of ₹ 10/- each of Stanrose Mafatlal Investments and Finance Limited	0.48	0.61
NIL (March 31, 2024: 2,000) equity shares of ₹ 10/- each of Mangal Credit & Fincorp Limited	-	0.02
2,52,59,059 (March 31, 2024: 2,52,59,059) equity shares of ₹ 10/- each of NOCIL Limited $$	441.78	629.71
Unquoted		
NIL (March 31, 2024: 45,000) equity shares of ₹ 10/- each of Cama Hotels Limited **	-	@
1,600 (March 31, 2024: 1,600) equity shares of ₹ 10/- each of Hybrid Financial Services Limited $**	@	@
116 (March 31, 2024: 116) equity shares of ₹ 10/- each of Anil Bioplus Limited	@	@
12,40,000 (March 31, 2024: 12,40,000) equity shares of ₹ 10/- each of Mafatlal Global Apparel Limited	@	@
NIL (March 31, 2024: 13,350) equity shares of ₹ 10/- each of Matcon Export Enterprises Limited ###	-	@
2,320 (March 31, 2024: 2,320) equity shares of ₹ 10/- each of Anil Limited @@	@	@
100 (March 31, 2024: 100) equity shares of ₹ 10/- each of Arlabs Limited	@	@
15,000 (March 31, 2024: 15,000) equity shares of ₹ 10/- each of Cellulose Products of India Limited ##	@	@
10 (March 31, 2024: 10) equity shares of ₹ 25/- each of Universal Dyestuff Industries Limited @@	@	@
5,870 (March 31, 2024: 5,870) equity shares of ₹ 100/- each of SLM Maneklal Industries Limited **	@	@
30,000 (March 31, 2024: 30,000) equity shares of ₹ 10/- each of Mafatlal Medical Devices Limited @@@	@	@
92,500 (March 31, 2024: 92,500) equity shares of ₹ 100/- each of Janata Sahakari Bank Limited ####	0.93	0.93
250 (March 31, 2024: 100) equity shares of ₹ 10/- (March 31, 2024: ₹ 25/-) each of SVC Bank Limited ####	@	@
5 (March 31, 2024: 5) shares of ₹ 50/- each of Sea - Face Park Co-op Housing Society Limited	@	@
26,16,670 (March 31, 2024: 26,16,670) equity shares of ₹ 10/- each of Ibiza Industries Limited ***@@	@	@

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
39,76,002 (March 31, 2024: 39,76,002) equity shares of ₹ 10/- each of Sunanda Industries Limited *@@	@	@
1,46,364 (March 31, 2024: 1,46,364) equity shares of ₹ 100/- each of Mafatlal Engineeering Industries Limited ##	@	@
147 (March 31, 2024: 147) equity shares of AED 1,000/- each of Al Fahim Mafatlal Textiles LLC ##	@	@
17,500 (March 31, 2024: 17,500) equity shares of ₹ 100/- each of The Cosmos Co-Operative Bank Limited ####	0.17	0.17
(B) Investments in Government securities		
Unquoted - At amortized cost		
Government securities [Face value of ₹ 0.03 (March 31, 2024: ₹ 0.03)] have been lodged with various authorities **	0.03	0.03
(C) Investment in debentures and bonds		
Unquoted - At amortized cost		
1,65,000 (March 31, 2024: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	@	@
2,050 (March 31, 2024: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited: 11% - Series IV #	@	@
Total (II)	**443.39**	**631.47**
Total (I)+(II)	**444.27**	**631.75**

$ Not held in the name of the Company since acquired on Amalgamation.

$$ 47,24,454 (March 31, 2024: 73,91,360) equity shares pledged with banks. Refer Note 48(a) for Assets pledged.

* Subject to non disposal undertakings given to financial institutions. The Company is currently under liquidation. 17,96,002 equity shares (March 31, 2024: 17,96,002 equity shares) were not available for verification.

** Not available for physical verification.

*** 13,50,000 (March 31, 2024: 13,50,000) equity shares of Ibiza Industries Limited have been pledged for loans / deposit taken by the Company / other companies. 9,50,000 (March 31, 2024: 9,50,000) equity shares not available for physical verification / confirmation not available; currently under liquidation.

2,050 (March 31, 2024: 2,050) nos.- Not available for physical verification.

Not available for physical verification / confirmation not available; currently under liquidation.

NIL (March 31, 2024: 8,000) equity shares not available for physical verification.

The Company has investments in equity shares of co-operative banks at face value, required as per the bye-laws of these institutions in order to take borrowings from such co-operative banks. The investments are non transferable and will be bought back by the co-operative banks at face value upon the termination of the relationship. These investments are with dividend rights.

@ Amount is below the rounding off norm adopted by the Company.

@@ Under liquidation.

@@@ Struck off.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	442.26	630.34
Aggregate amount of unquoted investments	2.01	1.41
Total	**444.27**	**631.75**

(All amounts in ₹ Crores, unless otherwise stated)

Note 7 - Non-current - Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security deposits	3.13	3.13
Term deposits with remaining maturity period of more than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	0.91	0.42
(ii) Other term deposits	0.87	-
Others	*	*
Total	**4.91**	**3.55**

Note: There are no financial assets as on March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 8 - Non-current - Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Capital advances	0.43	-
Deposits with government authorities	1.46	0.53
Total	**1.89**	**0.53**

Note 9 - Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	0.40	0.56
Work-in-progress	30.17	35.16
Finished goods	18.81	10.74
Stock-in-trade	43.95	28.88
Stock-in-trade in transit	-	0.85
Packing Material	1.06	0.88
Stores and spares	2.89	2.84
Others (Land) [Refer Note 50(ii)]	0.01	0.01
Total	**97.29**	**79.92**

Amounts recognized in the Standalone Statement of Profit and Loss:

Inventory write downs are accounted, considering the nature of inventory, aging and net realizable value. Write down of inventories amounted to ₹ 7.99 (March 31, 2024: Write down of ₹ 4.33) were recognized as an expense during the year and included in 'changes in value of inventories of finished goods, work-in-progress and stock-in-trade' in the Standalone Statement of Profit and Loss.

* Amount is below the rounding off norm adopted by the Company

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 10 - Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables from contract with customers - billed	509.28	662.61
Trade receivables from contract with customers - unbilled ^	-	2.02
Trade receivables from contract with customers - related parties [Refer Note 42(II)(C)]	0.32	0.50
Less : Loss Allowance [Refer Note 39 (C)]	(29.42)	(25.96)
Total	**480.18**	**639.17**
Current	479.38	638.10
Non-current	0.80	1.07

Break up of security details

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	501.72	656.45
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	7.88	8.68
Total	**509.60**	**665.13**
Loss allowance [Refer Note 39 (C)]	(29.42)	(25.96)
Total	**480.18**	**639.17**

^ The receivable is ‘unbilled’ because the Company has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Aging of Trade receivables as at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade receivables								
(i) considered good	-	135.04	148.01	166.87	37.19	4.34	4.63	496.08
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								-
(i) considered good	-	-	-	-	-	-	5.64	5.64
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	7.88	7.88
Total	**-**	**135.04**	**148.01**	**166.87**	**37.19**	**4.34**	**18.15**	**509.60**
Loss allowance on trade receivables								(29.42)
Total								**480.18**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Trade receivables as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade receivables								
(i) considered good	2.02	417.67	137.87	73.43	15.12	0.48	4.22	650.81
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								
(i) considered good	-	-	-	-	-	-	5.64	5.64
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	8.68	8.68
Total	**2.02**	**417.67**	**137.87**	**73.43**	**15.12**	**0.48**	**18.54**	**665.13**
Loss allowance on trade receivables								(25.96)
Total								**639.17**

Refer Note 39 for information about credit risk and market risk for trade receivables.

Note 11 - Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.03	0.06
Balances with banks:		
(i) In Current accounts	4.29	157.18
(ii) In Deposit accounts with original maturity of less than 3 months	46.85	25.00
Total	**51.17**	**182.24**

Note 12 - Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Term deposits with remaining maturity of less than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	105.04	78.51
(ii) Other term deposits	5.85	6.78
In earmarked accounts:		
(i) Unclaimed dividend accounts	0.10	0.05
(ii) Balances in Escrow Current accounts (Refer Note below)	0.02	0.02
Total	**111.01**	**85.36**

Note:

Balance in Escrow Current account of ₹ 0.02 (March 31, 2024: ₹ 0.02) is operated under the supervision of the Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 13 - Current loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to employees	0.01	0.01
Total	**0.01**	**0.01**

Notes: (i) There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

(ii) There are no loans as at March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 14 - Current - Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated		
Security deposits		
Considered good	8.56	15.18
Considered doubtful	2.64	2.64
	11.20	17.82
Less: Loss allowance on deposits [Refer Note 39(C)]	(2.64)	(2.64)
	8.56	15.18
Export incentives / Government grant receivable	1.28	1.61
Interest accrued on deposits with banks	-	0.03
Other receivables	0.18	0.12
Total	**10.02**	**16.94**

Note: There are no financial assets as at March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 15 - Current - Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Prepaid expenses	1.13	3.27
Balances with government authorities	16.37	18.05
Advance to suppliers	7.98	24.56
Total	**25.48**	**45.88**

(All amounts in ₹ Crores, unless otherwise stated)

Note 16 - Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
(i) Authorized				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	35,00,00,000	70.00	35,00,00,000	70.00
Preference share of ₹ 10/- each	3,00,00,000	30.00	3,00,00,000	30.00
(ii) Issued				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	7,19,10,430	14.38	7,15,02,930	14.30
(iii) Subscribed and fully paid up				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	7,19,10,430	14.38	7,15,02,930	14.30
Less: Allotment money / Calls in arrears	-	*	-	*
Total	**7,19,10,430**	**14.38**	**7,15,02,930**	**14.30**

(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	**7,15,02,930**	**14.30**	**7,05,97,430**	**14.12**
Add: Shares issued during the year [see note 16(5)(ii) below]	4,07,500	0.08	9,05,500	0.18
Outstanding at the end of the year	**7,19,10,430**	**14.38**	**7,15,02,930**	**14.30**

(2) Terms and rights attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 2/- per share (March 31, 2024: ₹ 2/- per share). Every holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting except for interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(3) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares:				
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.86%	78,09,552	10.92%
NOCIL Limited	97,73,475	13.59%	97,73,475	13.67%
Sumil Trading Private Limited	2,70,91,630	37.67%	2,70,91,630	37.89%

* Amount is below the rounding off norm adopted by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(4) Details of shareholding of promoters:

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of total number of shares	% of change during the year	Number of shares	% of total number of shares	% of change during the year
Equity Shares:						
Rekha H. Mafatlal	500	*	-	500	*	-
H. A. Mafatlal as a Trustee of Gurukripa Trust	500	*	-	500	*	-
H. A. Mafatlal as a Trustee of Karuna Trust	33,90,576	4.71%	-	33,90,576	4.74%	6,78,015.20%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.86%	-	78,09,552	10.92%	15,61,810.40%
Rekha H. Mafatlal as a Trustee of Radha Raman Trust	500	*	-	500	*	-
Aarti M. Chadha	7,45,900	1.04%	-	7,45,900	1.04%	-
H. A. Mafatlal as a Trustee of Shrija Trust	500	*	-	500	*	-
H. A. Mafatlal	6,992	0.01%	-	6,992	0.01%	(99.94%)
Anjali K. Agarwal	8,87,150	1.23%	-	8,87,150	1.24%	-
P. H. Mafatlal	500	-	-	500	*	-
KSJ Trading Private Limited	1,11,525	0.16%	-	1,11,525	0.16%	-
NOCIL Limited	97,73,475	13.59%	-	97,73,475	13.67%	-
Sumil Trading Private Limited	2,70,91,630	37.67%	-	2,70,91,630	37.89%	-
Shri H. A. Mafatlal Public Charitable Trust No 1	1,20,640	0.17%	-	1,20,640	0.17%	-
Seth Navinchandra Mafatlal Foundation Trust No 1	82,530	0.11%	-	82,530	0.12%	-
	5,00,22,470	**69.56%**		**5,00,22,470**	**69.96%**	

** % of total number of shares below the rounding off norm adopted by the Company.*

(5) Aggregate number of shares issued for consideration other than cash:

(i) There have been no shares allotted as fully paid up pursuant to contract without payment being received in cash or allotted as fully paid up by way of bonus shares or bought back, for the period of five years immediately preceding the date as at which the Standalone Balance Sheet is prepared.

(ii) Shares reserved for issue under options:

Information relating to Mafatlal Industries Limited Employee share option scheme, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 38.

(6) Calls unpaid (by other than officers and directors):

Particulars	As at March 31, 2025	As at March 31, 2024
Calls unpaid	*	*

(7) During 1987-88: 5,35,000 shares (of ₹ 100/- each) were allotted on rights basis subject to the result of suit nos. 3,181 and 3,182 of 1987 filed by three shareholders against the Company and Others in the Ahmedabad City Civil Court. The suits are pending disposal.

* Amount is below the rounding off norm adopted by the Company.

(All amounts in ₹ Crores, unless otherwise stated)

Note 17 - Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	114.28	181.48
Retained Earnings	188.35	(92.51)
General Reserve	6.20	6.20
Capital Reserve No.1	-	0.61
Capital Reserve No. 2	-	0.35
Capital Reserve on Amalgamation	-	36.34
Capital Redemption Reserve	-	83.83
Capital Investment Reserve	0.76	0.76
Investment Reserve	0.02	0.02
Share - Based Payments Reserve	2.42	1.33
Export Profit Reserve	0.20	0.20
Other Reserves:		
FVOCI - Equity Instruments	414.76	581.65
Total	**726.99**	**800.26**

(i) Securities Premium

Securities Premium is used to record the premium on issue of shares. This is utilized in accordance with the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	181.48	176.72
Movement during the year	1.92	4.76
Accounting effect of NCLT order [Refer Note 49(b)]	(69.12)	-
Balance at the end of the year	**114.28**	**181.48**

(ii) Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	(92.51)	(190.25)
Profit for the year	98.14	98.75
Transfer of realized gain on FVOCI Equity Instruments to Retained Earnings	0.10	-
Accounting effect of NCLT order [Refer Note 49(b)]	190.25	-
Transfer from Share-based payments reserve due to forfeiture and lapse of options	0.37	-
Dividend paid during the year [Refer Note 17(a)]	(7.19)	-
Other comprehensive income	(0.81)	(1.01)
Balance at the end of the year	**188.35**	**(92.51)**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

(iii) General Reserve

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	6.20	6.20
Movement during the year	-	-
Balance at the end of the year	**6.20**	**6.20**

(iv) Capital Reserve No.1

Capital reserve is to be utilized in accordance with the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.61	0.61
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(0.61)	-
Balance at the end of the year	**-**	**0.61**

(v) Capital Reserve No. 2

The reserve has arisen out of State Government subsidy received by the Company and is separately maintained as per the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.35	0.35
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(0.35)	-
Balance at the end of the year	**-**	**0.35**

(vi) Capital Reserve on Amalgamation

The said reserve has arisen out of amalgamation with Mafatlal Denim Limited

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	36.34	36.34
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(36.34)	-
Balance at the end of the year	**-**	**36.34**

(vii) Capital Redemption Reserve

It represents reserve created during buy back of equity shares, preference shares and it is a non-distributable reserve.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	83.83	83.83
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(83.83)	-
Balance at the end of the year	**-**	**83.83**

(All amounts in ₹ Crores, unless otherwise stated)

(viii) Capital Investment Reserve

The said reserve has arisen out of excess of non taxable sales proceeds over the book values

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.76	0.76
Movement during the year	-	-
Balance at the end of the year	**0.76**	**0.76**

(ix) Investment Reserve

The said reserve has arisen on account of amalgamation with Mafatlal Gagalbhai and Company Private Limited.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.02	0.02
Movement during the year	-	-
Balance at the end of the year	**0.02**	**0.02**

(x) Share-Based Payments Reserve

The said reserve has arisen on account of equity share option scheme announced by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1.33	2.56
Employee share-based payment expense [Refer Note 38(f)]	2.01	0.17
Transfer from Share-based payments reserve due to forfeiture and lapse of options	(0.37)	-
Employee share options exercised during the year	(0.55)	(1.40)
Balance at the end of the year	**2.42**	**1.33**

(xi) Export Profit Reserve

The said reserve has arisen due to amalgamation with Mafatlal Fine Spinning and Manufacturing Company Limited.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.20	0.20
Movement during the year	-	-
Balance at the end of the year	**0.20**	**0.20**

(xii) FVOCI - Equity instruments

The Company fair values certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	581.65	483.17
Change in fair value of FVOCI equity instruments	(166.79)	98.48
Transfer of gain on FVOCI equity instruments to Retained Earnings	(0.10)	-
Balance at the end of the year	**414.76**	**581.65**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 17(a) - Dividend distribution made and proposed

Particulars	As at March 31, 2025	As at March 31, 2024
Dividend on equity shares declared and paid:		
Interim dividend for the year ended March 31, 2025: ₹ 1/- per share of face value of ₹ 2/- each (March 31, 2024: NIL)	7.19	-
Total	**7.19**	**-**
Proposed dividend on equity shares:		
Proposed dividend for the year ended March 31, 2025: ₹ 1/- per share of face value of ₹ 2/- each (March 31, 2024: NIL) (Refer Note below)	7.19	-
Total	**7.19**	**-**

Note: Proposed dividend recommended by the Board of Directors on equity shares are subject to approval of shareholders in the ensuing Annual General Meeting and are not recognized as a liability as at the balance sheet date.

Note 18 - Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii), (iii), (iv), (vi) and (vii) below]	21.90	26.13
(b) For vehicle loans [Refer Note no.(v) below]	0.64	1.06
Total	**22.54**	**27.19**

(i)	Term loan from a Bank, amounting to ₹ 3.90 (March 31, 2024: ₹ 7.88).	Repayable in 60 monthly installments beginning from April 2021 till March 2026. The rate of interest during the year was in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a. to 11.50% p.a).
(ii)	Term loan from a Bank, amounting to ₹ 4.36 (March 31, 2024: ₹ 8.16).	Repayable in 32 monthly installments beginning from October 2023 till May 2026. The rate of interest for the year was in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a. to 11.50% p.a.).
(iii)	Term loan from a Bank, amounting to ₹ 17.84 (March 31, 2024: ₹ 19.83).	Repayable in 84 monthly installments beginning from April 2024 till March 2031. The rate of interest for the year was in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a).
-	All the above term loans are secured by mortgage of an immovable asset - buildings measuring 14,670 sq. ft. (March 31, 2024: 14,670 sq. ft.) of Mafatlal House at Mumbai.	
(iv)	Term loan from a Bank, amounting to ₹ NIL (March 31, 2024: ₹ 6.87) is secured by mortgage of an immovable asset (buildings) measuring 2,945 sq. ft. of Mafatlal House at Mumbai and 1,922 sq. ft. of Ahmedabad office and pledge over NIL (March 31, 2024: 4,59,542) shares of NOCIL Limited and a lien on term deposit. (Also Refer Note 12)	The term loan was repaid in March 2025. The rate of interest for the year was in the range of 10.50% p.a. to 10.90% p.a. (March 31, 2024: 10.50% p.a. to 11.60% p.a.).

(All amounts in ₹ Crores, unless otherwise stated)

(v) Loans from a Bank, amounting to ₹ 1.06 (March 31, 2024: ₹ 1.44) for vehicles, secured by hypothecation of respective vehicles.	Repayable in monthly installments and the rate of interest for the year was in the range of 8.75 % p.a. to 10.15 % p.a. (March 31, 2024: 8.40 % p.a. to 9.65 % p.a).
(vi) Term loan from a Bank, amounting to ₹ 2.29 (March 31, 2024: ₹ NIL) is secured by a charge on the plant and machinery acquired out of the said loan and a pari passu charge on the Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr.	Repayable in 72 monthly installments beginning from April 2025 till March 2031 (with moratorium of 1 year). The rate of interest during the year was in the range of 9.85% p.a. to 10.10% p.a. (March 31, 2024: NIL).
(vii) Term loan from a Bank, amounting to ₹ 6.20 (March 31, 2024: ₹ NIL) is secured by pari passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: NIL)	Repayable in 84 monthly installments beginning from April 2025 till March 2032. The rate of interest was 10.00% p.a. (March 31, 2024: NIL).

The amounts mentioned include installments falling due within a year aggregating to ₹ 13.11 (March 31, 2024: ₹ 16.99) which have been grouped under "Current Borrowings" [Refer Note 21].

For Liquidity risk information, refer Note 39.

Note 19 - Non-current - Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Trade / Security deposits	3.97	3.92
Advances received against legal matters (Refer Note below)	6.98	12.92
Interest accrued and not due on advance received against legal matters [Refer Note 50(i)]	2.84	2.84
Total	**13.79**	**19.68**

Note: Out of the above, for advances of ₹ 5.78 (March 31, 2024: ₹ 5.78), refer note 50(i).

Note 20 - Non-current - Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred income on Government Grant (Refer Note 47)	-	0.41
Contract liabilities - Unearned revenue (Refer Note 24)	1.49	2.35
Total	**1.49**	**2.76**

Note 21 - Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
From Banks		
Working Capital loans*	6.99	-
Current loans against properties **	25.62	37.42
Current maturities of long-term debt (Refer Note 18)		
(i) From Banks	12.69	16.61
(ii) For vehicle loans	0.42	0.38
Interest accrued but not due on borrowings	0.03	0.07
Total	**45.75**	**54.48**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

** Current loans against properties from a bank aggregating to ₹ 10.25 (March 31, 2024: ₹ 24.95) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: 3,66,392 sq. mtr) and charge on certain stocks and book debts, both present and future of the Company which is repayable on demand and carrying an interest in the range of 10.00% p.a. to 10.75% p.a. (March 31, 2024: 10.75% p.a. to 11.50% p.a.).

** Current loans against properties from a bank aggregating to ₹ 15.37 (March 31, 2024: ₹ 12.47) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: 3,66,392 sq. mtr) which is repayable on demand and carry an interest in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a. to 11.00% p.a).

* Working Capital loans from banks aggregating to ₹ 6.99 (March 31, 2024: ₹ NIL) are secured by first charge on certain stocks and book debts, both present and future, of the Company, charge on certain property, pledge of 47,24,454 (March 31, 2024: 69,31,818) equity shares of NOCIL Limited held by the Company. The working capital loans were repayable on demand and carry an interest in the range of 9.65% p.a. to 10.25% p.a. (March 31, 2024: 9.55% p.a. to 11.50% p.a).

For Liquidity risk information, refer Note 39.

Refer Note 48(b) for net debt reconciliation.

Note 22 - Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	9.12	6.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	433.94	758.72
Trade Payables to related parties [Refer Note 42(II)(C)]	0.30	0.09
Total	**443.36**	**765.73**

Aging of Trade Payables as at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and small enterprises	4.75	3.54	0.83	-	-	-	9.12
(ii) Others	69.75	119.65	176.85	58.38	6.14	3.47	434.24
(B) Disputed trade payables							
(i) Micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**74.50**	**123.19**	**177.68**	**58.38**	**6.14**	**3.47**	**443.36**

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Trade Payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and small enterprises	4.14	1.33	1.45	-	-	-	6.92
(ii) Others	49.52	276.60	417.90	11.06	1.49	2.24	758.81
(B) Disputed trade payables							
(i) Micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**53.66**	**277.93**	**419.35**	**11.06**	**1.49**	**2.24**	**765.73**

Note: For Liquidity risk information, Refer Note 39.

Dues to micro and small enterprises:-

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.37	2.78
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.04	0.06
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	7.34	16.98
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0.30
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year (not due)	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	4.71	4.08

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 23 - Current - Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Unclaimed dividends (refer Note below)	0.10	0.05
Capital creditors	0.28	-
Trade Deposits	89.33	73.34
Employee benefits payable	8.80	4.54
Total	**98.51**	**77.93**

Note: There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

Note 24 - Current - Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	2.58	2.47
Contract liabilities		
(i) Advance from customers [Refer Note 26 below]	4.73	21.25
(ii) Unearned revenue	0.86	0.86
Deferred income on Government Grant (Refer Note 47)	0.41	0.54
Refund liabilities [Refer Note 26(a) below]	2.80	5.34
Others	0.50	0.98
Total	**11.88**	**31.44**

Note 25 - Current provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	5.52	5.00
(ii) Provision for Gratuity (Refer Note 41)	4.16	7.20
Total	**9.68**	**12.20**

Note 26 - Revenue recognized in relation to contract liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue recognized that was included in contract liabilities at the beginning of the year	17.84	20.27

Note: There has been no significant change in contract liabilities.

Note 26(a): Refund liabilities include:

(i) Customer refund liabilities for discount payable to customers of ₹ 0.30 (March 2024: ₹ 3.24)

(ii) Liquidated damages provided on contractual terms when delivery have exceeded or are likely to exceed the delivery terms of ₹ 2.50 (March 2024: ₹ 2.10)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customers		
Sale of Products	2,707.00	2,042.48
Sale of Services	93.32	26.73
Total Revenue from contract with customers (A)	**2,800.32**	**2,069.21**
Other operating revenue		
Income from waste / scrap sale	1.59	1.62
Processing income	4.06	5.94
Duty drawback and other export incentives	1.26	1.64
Total other operating revenue (B)	**6.91**	**9.20**
Total Revenue [(A) + (B)]	**2,807.23**	**2,078.41**

(i) The unsatisfied performance obligations from long-term contracts with customers are based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

(ii) Reconciliation of revenue recognized with contract price:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract price	2,804.09	2,081.52
Adjustments for:		
Discounts and rebates	(2.12)	(7.97)
Liquidated damages	(1.65)	(4.34)
Total Revenue from contract with customers	**2,800.32**	**2,069.21**

(iii) Disaggregation of revenue from contracts with customers:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
The Company derives revenue from the transfer of goods and services in the following geographical regions:		
India	2,768.05	2,032.77
Asia (Excluding India)	31.85	34.99
Others	0.42	1.45
Total Revenue from contract with customers	**2,800.32**	**2,069.21**

(iv) The Company derives revenue from the transfer of following goods and services :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Textile and related products	1,210.52	1,546.92
Digital infrastructure	92.89	130.12
Consumer durables and others	1,496.91	392.17
Total Revenue from contract with customers	**2,800.32**	**2,069.21**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 28 - Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
(i) Financial assets at amortized cost		
Term deposits	7.18	3.37
Others	0.71	1.37
(ii) Income tax refund	0.94	0.34
Rental income from investment properties	4.21	4.04
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	5.57	4.85
Dividend income from equity investments designated at fair value through other comprehensive income	7.60	7.59
Apportioned income from Government grants #	0.54	0.74
Miscellaneous income	7.59	1.36
Total	**34.34**	**23.66**

Government grants have been received for investment in certain items of property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants as at March 31, 2025 (Refer Note 47).

Note 29 - Other gains (net)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net gain on disposal of property, plant and equipment and investment properties [Refer Notes 3(a) and 4]	3.27	30.88
Net gain from sale of development right certificates	-	9.27
Net gain on sale of investments	0.08	-
Net foreign exchange differences	0.38	-
Total	**3.73**	**40.15**

Note 30 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year		
Finished goods	18.81	10.74
Work-in-progress	30.17	35.16
Stock-in-trade (Traded goods)	43.95	29.73
Sub-total (A)	**92.93**	**75.63**
Inventories at the beginning of the year		
Finished goods	10.74	15.21
Work-in-progress	35.16	31.59
Stock-in-trade (Traded goods) (including stock-in-transit)	29.73	54.29
Sub-total (B)	**75.63**	**101.09**
Total (B - A)	**(17.30)**	**25.46**

(All amounts in ₹ Crores, unless otherwise stated)

Note 31 - Employee benefits expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus, etc.	48.97	51.81
Contributions to provident and other funds [Refer Note 41(ii)(a)]	4.00	4.43
Gratuity expense (Refer Note 41)	1.79	1.73
Staff welfare expenses	2.16	2.61
Employee share-based payment expense (Refer Note 38)	2.01	0.17
Total	**58.93**	**60.75**

Note 32 - Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on financial liabilities measured at amortized cost and lease liabilities:		
Interest on borrowings	5.78	7.89
Interest on trade payables	1.05	2.88
Interest on lease liabilities	0.15	0.08
Interest - others	0.15	0.31
Other borrowing costs	3.83	4.18
Total	**10.96**	**15.34**

Note 33 - Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment [Refer Notes 3(a)]	13.00	13.65
Depreciation of right-of-use assets [Refer Notes 3(b)(i)]	0.62	0.32
Depreciation on investment properties (Refer Note 4)	0.09	0.25
Amortization on intangible assets (Refer Note 5)	1.32	0.78
Total	**15.03**	**15.00**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 34 - Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	32.34	34.75
Processing charges	9.71	7.78
Power and fuel	34.75	44.79
Repairs and maintenance		
Buildings	2.22	2.74
Machinery	1.85	1.29
Others	2.69	3.24
Insurance (net)	1.03	0.81
Lease rent #	0.22	0.01
Sales commission	3.12	5.05
Rates and taxes	3.09	5.26
Sub-contracting and distribution charges	114.27	70.79
Transport and freight charges (net)	14.82	19.97
Donations and Charities	0.46	0.02
Bad Debts written off	0.85	1.67
Less: Allowances there against	(0.85)	(1.67)
Advances written off	-	0.96
Loss allowance on advances	0.87	-
Legal and professional fees	12.27	10.18
Payments to auditors [Refer Note 34(a)]	0.54	0.46
Directors' fees [Refer Note 42]	0.80	0.52
Net foreign exchange differences	-	0.09
Miscellaneous expenses	21.71	22.58
Total	**256.76**	**231.29**

Lease rent expense pertains to short-term leases.

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payment to the auditors		
As auditor:		
Statutory audit fees	0.37	0.32
Limited review	0.15	0.12
Certification fees	0.01	0.01
Re-imbursement of expenses	0.01	0.01
Total	**0.54**	**0.46**

Note 35 - Exceptional item

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee severance cost comprising voluntary retirement scheme at Nadiad (Refer note below)	6.00	-
Total	**6.00**	**-**

Note: During the year ended March 31, 2025, the Company entered into a Memorandum of Understanding (MOU) with the Workers' Union at its Nadiad location to reduce its workforce and accordingly recognized expenses towards compensation payable as full and final settlement to its certain workers who accepted the offer and disclosed the same as an exceptional item.

(All amounts in ₹ Crores, unless otherwise stated)

Note 36 - Taxation

36(a) - Tax expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	25.168%	25.168%
Current tax on Profits for the year	-	-
Total current tax	**-**	**-**
Deferred tax credit - Standalone Statement of Profit and Loss		
Increase in deferred tax assets	(23.54)	(13.32)
Decrease in deferred tax liabilities	(0.06)	(6.39)
Total deferred tax credit	**(23.60)**	**(19.71)**
Deferred tax (credit) / charge - Other Comprehensive Income		
Increase in deferred tax assets	(21.16)	(0.34)
Increase in deferred tax liabilities	-	10.10
Total deferred tax (credit) / charge	**(21.16)**	**9.76**

36(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year	74.54	79.04
Statutory income tax rate applicable to Mafatlal Industries Limited	25.168%	25.168%
Tax expense at applicable tax rate	**18.76**	**19.89**
Tax effects of amounts which are (deductible) / taxable in calculating taxable income:		
Permanent difference on sale of property, plant and equipment, investments, investment properties and development right certificates	(0.83)	(8.39)
Adjustments for current tax of prior periods	3.22	-
Unrecognized deferred tax on tax losses and other temporary differences	1.29	1.63
Expenses not deductible for tax purposes	0.35	0.42
Income for the year set off against brought forward losses on which deferred tax was not recognized in earlier years	(17.00)	(13.28)
Deferred tax recognized for unabsorbed depreciation	(7.52)	(19.71)
Deferred tax recognized for business losses	(24.85)	-
Potential effect of income not chargeable to tax	(1.81)	-
Differential rate on recognition of unabsorbed depreciation	4.70	-
Others	0.09	(0.27)
Income tax expense as per the Standalone Statement of Profit and Loss	**(23.60)**	**(19.71)**

36(c) - The Taxation Laws (Amendment) Ordinance, 2019 ('ordinance') introduced section 115BAA of the Income-tax Act, 1961 which allowed domestic Companies to opt for an alternative tax regime from financial year 2019-20. As per the said tax regime, Companies are allowed to pay reduced income tax @ 22% (plus surcharge and cess) subject to foregoing of certain exemptions / deductions which were allowed earlier. Pursuant to the aforesaid amendment, the Company, has opted for lower rate of tax with effect from financial year ended March 31, 2023.

36(d) - No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognized in Equity and not in Standalone Statement of Profit and Loss or Other Comprehensive Income.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

36(e) - Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Loss allowance on trade receivables and deposits (net)	1.30	7.20
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	4.23	6.96
Unabsorbed depreciation	17.62	10.10
Business loss	29.34	4.49
Change in fair value of FVOCI equity instruments	10.86	-
Total deferred tax assets	**63.35**	**28.75**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(3.66)	(3.72)
Change in fair value of FVOCI equity instruments	-	(10.10)
Deferred tax assets (net)	**59.69**	**14.93**

Movement in deferred tax assets 'DTA' / (liabilities) 'DTL'

Particulars	DTA / (DTL) as at March 31, 2023	Charged / (Credited) to profit and loss	Charged / (Credited) to OCI	DTA / (DTL) as at March 31, 2024
Year ended March 31, 2024				
Loss allowance on trade receivables and deposits (net)	5.31	(1.89)	-	7.20
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	7.39	0.77	(0.34)	6.96
Unabsorbed depreciation	-	(10.10)	-	10.10
Business losses	2.39	(2.10)	-	4.49
Property, plant and equipment and intangible assets	(10.11)	(6.39)	-	(3.72)
Change in fair value of FVOCI equity instruments	-	-	10.10	(10.10)
Total deferred tax assets (net)	**4.98**	**(19.71)**	**9.76**	**14.93**

Particulars	DTA / (DTL) as at March 31, 2024	Charged / (Credited) to profit and loss	Charged / (Credited) to OCI	DTA / (DTL) as at March 31, 2025
Year ended March 31, 2025				
Loss allowance on trade receivables and deposits (net)	7.20	5.90	-	1.30
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	6.96	2.93	(0.20)	4.23
Unabsorbed depreciation	10.10	(7.52)	-	17.62
Business losses	4.49	(24.85)	-	29.34
Property, plant and equipment and intangible assets	(3.72)	(0.06)	-	(3.66)
Change in fair value of FVOCI equity instruments	(10.10)	-	(20.96)	10.86
Total deferred tax assets (net)	**14.93**	**(23.60)**	**(21.16)**	**59.69**

(All amounts in ₹ Crores, unless otherwise stated)

The Company has recognized the deferred tax asset on unabsorbed depreciation and business losses of earlier years, loss allowance on trade receivables and deposits and disallowances under Section 35DDA, 40(a)(i) and 43B of the Income Tax Act, 1961. The Company has concluded that the deferred tax assets will be recoverable partially compensated by decrease in deferred tax liabilities and excess will be recovered using estimated future taxable income. Further, unabsorbed depreciation can be carried forward for infinite period as per tax regulations.

36(f) - Tax losses

The Company has not created deferred tax asset on the following tax losses:

Particulars	As at March 31, 2025	As at March 31, 2024
Unabsorbed brought forward depreciation	64.56	241.86
Potential tax benefit @ 25.168% (March 31, 2024: 25.168%)	16.25	60.87
Long term capital loss	24.97	-
Potential tax benefit @ 12.5% (March 31, 2024: 10%)	3.12	-
Total Potential tax benefit	**19.37**	**60.87**

36(g) - Current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax assets [Net of provision of tax ₹ 128.43 (March 31, 2024: ₹ 128.43)]	19.76	20.55

Note 37 - Fair value measurements

(i) Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and bank balances, trade receivables, current loans, trade payables, current borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- The interest rate on term deposits is at the prevailing market rates. Accordingly, fair value of such instrument is not materially different from their carrying amounts.
- The interest rate on borrowing is at the prevailing market rates. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between level 1, level 2 and level 3 during the year.

(ii) Financial instruments by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments other than subsidiaries	-	442.26	1.10	-	630.34	1.10
- Government securities	-	-	0.03	-	-	0.03
Cash and bank balances	-	-	162.18	-	-	267.60
Loans	-	-	0.01	-	-	0.01
Other financial assets	-	-	14.93	-	-	20.49
Trade receivables	-	-	480.18	-	-	639.17
Total financial assets	**-**	**442.26**	**658.43**	**-**	**630.34**	**928.40**
Financial liabilities						
Borrowings	-	-	68.29	-	-	81.67
Trade payables	-	-	443.36	-	-	765.73
Other financial liabilities	-	-	112.30	-	-	97.61
Total financial liabilities	**-**	**-**	**623.95**	**-**	**-**	**945.01**

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements - Level 1

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted equity investments measured at fair value	442.26	630.34

Difference between fair value of non-current financial instruments carried at amortized cost and carrying value is not considered to be material to the financial statements.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted shares.
- the fair value of the other unquoted equity investments is mainly pertaining to investments in co-operative banks which are carried at amortized cost and the carrying amounts are equal to the fair values.

Note 38 - Share based payments

(a) Employee option plan

(i) The Mafatlal Employee Stock Option Scheme 2017 ('ESOS 2017') of Mafatlal Industries Limited was approved by the Board of Directors of the Company at their meeting held on May 5, 2017 and finalized on August 10, 2017. At the Annual General Meeting held on August 2, 2017, the shareholders approved the creation of employee stock option pool of 6,95,000 equity shares of face value of ₹ 10/- each fully paid up (before giving effect of sub-division) on such terms and such manner as the Board may decide in accordance with the provisions of applicable law and ESOS 2017.

The Company has implemented ESOS 2017 with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Nomination and Remuneration Committee ('NRC') administers ESOS 2017, in compliance with the provisions of the Securities and Exchange Board of India (Share Based benefits) Regulations, 2014 and amendments thereof from time to time.

(ii) During the financial year 2017-18, the NRC in its meeting held on November 10, 2017 has granted 1,38,000 options (before giving effect of sub-division) with a progressive vesting to certain senior management employees under the ESOS 2017 and the vesting of options will be @15% on 1st anniversary, 20% on 2nd anniversary, 30% on 3rd anniversary and remaining 35% on 4th anniversary of the grant date. Once vested, the options remain exercisable for a period of four years.

(iii) During the financial year 2019-20, the NRC in its meeting held on August 1, 2019 has granted 3,18,000 options (before giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e. August 1, 2020 and the vested options are exercisable for a period of four years after vesting.

(iv) During the financial year 2022-23, the NRC in its meeting held on May 28, 2022 has granted 3,20,000 options (before giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e. May 28, 2023 and the vested options are exercisable for a period of four years after vesting.

(v) Options are granted under the plan for no consideration and carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options is fair market price of the share as on date of grant of options.

(vi) The options granted and number of shares mentioned are proportionately increased in accordance sub-division of equity shares effective from November 25, 2022. Disclosures have been made after giving effect to the sub-division of equity shares.

(vii) During the financial year 2024-25, the NRC in its meeting held on May 27, 2024 has granted 3,55,000 options (after giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e. May 27, 2025 and the vested options are exercisable for a period of four years after vesting.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(b) Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Exercise price (see Note below) (in ₹)	Number of options [see Note (a) (vi) above]	Exercise price (see Note below) (in ₹)	Number of options [see Note (a) (vi) above]
Opening Balance				
Options granted on November 10, 2017	64.54	32,500	64.54	1,61,500
Options granted on August 1, 2019	15.73	12,000	15.73	47,000
Options granted on May 28, 2022	36.20	7,73,500	36.20	15,25,000
Granted during the year				
Options granted on May 27, 2024	131.15	3,55,000	-	-
Exercised during the year				
Options granted on November 10, 2017	64.54	-	64.54	1,19,000
Options granted on August 1, 2019	15.73	12,000	15.73	35,000
Options granted on May 28, 2022	36.20	3,95,500	36.20	7,51,500
Forfeited during the year				
Options granted on November 10, 2017	64.54	32,500	64.54	-
Options granted on May 28, 2022	36.20	79,000	36.20	-
Expired during the year				
Options granted on November 10, 2017	64.54	-	64.54	10,000
Closing Balance				
Options granted on November 10, 2017	64.54	-	64.54	32,500
Options granted on August 1, 2019	15.73	-	15.73	12,000
Options granted on May 28, 2022	36.20	2,99,000	36.20	7,73,500
Options granted on May 27, 2024	131.15	3,55,000	-	-
Vested and exercisable		6,54,000		8,18,000

Note: The earlier exercise price of the options granted on November 10, 2017, August 1, 2019 and May 28, 2022 were ₹ 322.70 per option, ₹ 78.65 per option and ₹ 181.00 per option respectively. The exercise price of these options has been reduced [See Note 38(a)(vi) above].

(c) The weighted average share price at the dates of exercise of the options exercised during the year ended March 31, 2025 was ₹ 131.80 per share (March 31, 2024: ₹ 144.06 per share).

(d) Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Vesting Date	Expiry Date	Exercise price [see note (a)(vi) above] (in ₹)	Share options March 31, 2025	Share options March 31, 2024	Fair value of options at grant date [see Note (a)(vi) above] (in ₹)
November 10, 2017	November 10, 2020	November 10, 2024	64.54	-	15,000	29.24
November 10, 2017	November 10, 2021	November 10, 2025	64.54	-	17,500	31.24
August 01, 2019	August 01, 2020	August 01, 2024	15.73	-	12,000	5.02
May 28, 2022	May 28, 2023	May 28, 2027	36.20	2,99,000	7,73,500	13.76
May 27, 2024	May 27, 2025	May 27, 2029	131.15	3,55,000	-	66.95
Total				**6,54,000**	**8,18,000**	

Weighted average remaining contractual life of options outstanding at end of period	3.25 years	3.04 years

(e) Fair Value of options granted

The model inputs for options granted on November 10, 2017 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completions of service for a period of 1-4 years. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 64.54 per option

(c) grant date: November 10, 2017

(d) expiry date: November 10, 2022 - November 10, 2025

(e) share price at grant date: ₹ 62.82 per share

(f) expected price volatility of the Company's shares: 48.32%-51.99%

(g) expected dividend yield: 1.69%

(h) risk free interest rate: 6.51% - 6.91%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on August 1, 2019 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 15.73 per option

(c) grant date: August 1, 2019

(d) expiry date: August 1, 2024

(e) share price at grant date: ₹ 15.73 per share

(f) expected price volatility of the Company's shares: 42.29%

(g) expected dividend yield: 0%

(h) risk free interest rate: 5.97%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on May 28, 2022 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 36.20 per option

(c) grant date: May 28, 2022

(d) expiry date: May 28, 2027

(e) share price at grant date: ₹ 36.20 per share

(f) expected price volatility of the Company's shares: 4.14%

(g) expected dividend yield: 0%

(h) risk free interest rate: 7.35%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

The model inputs for options granted on May 27, 2024 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 131.15 per option

(c) grant date: May 27, 2024

(d) expiry date: May 27, 2029

(e) share price at grant date: ₹ 142.63 per share

(f) expected price volatility of the Company's shares: 56.75%

(g) expected dividend yield: 0%

(h) risk free interest rate: 6.98%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

(f) Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in the Standalone Statement of Profit and Loss as part of employee benefits expense:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee share-based payment expense (Refer Note 31)	2.01	0.17

Note 39 - Financial risk management

The Company's business activities exposes it to a variety of financial risks, namely liquidity risk, market risk and credit risk. The Company's senior management and key management personnel have the ultimate responsibility for managing these risks. The Company has a mechanism to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's senior management and key management personnel are supported by the finance team and respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to protect the Company's financial results and position from financial risks; and maintain market risks within acceptable parameters, while optimizing returns.

(A) Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. The Company is cognizant of reputational risk that are associated with the liquidity risk and such risk is factored into the overall business strategy. Due to the dynamic nature of the underlying businesses, finance department maintains flexibility in funding by having availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2025	As at March 31, 2024
Expiring within one year (current borrowing facilities)	91.39	62.58
Expiring beyond one year	13.73	-

The bank loan facilities may be drawn at any time and the banks can also recall the facilities basis the breach of applicable covenants.

(ii) Maturity pattern of financial liabilities

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2025	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	16.95	16.45	14.82
Current borrowings*	32.61	-	-
Trade payables	443.36	-	-
Trade / Security deposits	89.33	3.12	0.85
Lease liabilities	0.86	0.95	0.03
Other financial liabilities (excluding trade / security deposits)	9.18	9.82	-

As at March 31, 2024	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	21.08	18.33	16.12
Current borrowings*	37.42	-	-
Trade payables	765.73	-	-
Trade / Security deposits	73.34	2.18	1.74
Lease liabilities	0.29	0.19	0.05
Other financial liabilities (excluding trade / security deposits)	4.59	15.76	-

* does not include interest payable in future years, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balances vary based on the fund requirements of the Company.

(B) Management of market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The size and operations of the Company result in it being exposed to the price risk, interest rate risk and foreign exchange risk that arise from its use of financial instruments.

The above risks may affect income and expenses, or the value of the financial instruments of the Company. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimizing returns. The Company's exposure to and the management of these risks is explained below:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

i) Price risk

The Company is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainities about the future market values of these investments.

Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities."

Any new investment or divestment must be approved by the Board of Directors and Chief Financial Officer.

a) Price risk sensitivity analysis

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Company has calculated the impact as follows:

Particulars	Effect on other comprehensive income	
	5% increase	5% decrease
March 31, 2025	22.11	(22.11)
March 31, 2024	31.52	(31.52)

Above referred sensitivity pertains to quoted equity investments (Refer Note 6).

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rate is limited to borrowings which bear floating interest rate.

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. As at March 31, 2025, approximately 52.66% of the Company's borrowings is at variable rate of interest (March 31, 2024: 54.23%).

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is as follows:

a) Interest rate exposure

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	35.96	44.29
Fixed rate borrowings	32.33	37.38

b) Interest rate sensitivity

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period, the Company had the following exposure on variable rate borrowings outstanding. Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilized for the whole financial year:

Particulars	Effect on profit before tax	
	0.25 bps increase	0.25 bps decrease
March 31, 2025	(0.09)	0.09
March 31, 2024	(0.11)	0.11

iii) Foreign exchange risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognized financial assets and liabilities denominated in a currency that is not the functional currency (₹) of the Company. The risk also includes highly probable foreign currency cash flows.

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and AED.

a) Foreign currency risk exposure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Receivable	Receivable in Foreign currency	Receivable	Receivable in Foreign currency
	(₹ in Crores)	(Amount in Foreign currency) (in full numbers)	(₹ in Crores)	(Amount in Foreign currency) (in full numbers)
Trade receivables	4.20	USD 4,90,006	6.35	USD 7,61,412
	-	-	2.27	AED 10,01,013

b) Foreign currency sensitivity

5% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax, due to changes in the fair value of monetary assets and liabilities, is as follows:

Particulars	Effect on profit before tax	
	5% increase	5% decrease
March 31, 2025	**0.21**	**(0.21)**
March 31, 2024	0.43	(0.43)

(C) Management of credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations.

The Company is exposed to credit risk from its operating activities which primarily includes trade receivables, security deposits, cash and cash equivalents, deposit with banks and other bank balances. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Cash and cash equivalents, deposit with banks and other bank balances

Credit risk related to cash and cash equivalent, deposit with banks and other bank balances is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties and the risk of default is negligible or nil.

Other financial assets

Other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The Company evaluates 12 months expected credit losses for all the financial assets (other than trade receivable) for which credit risk has not increased. In case credit risk has increased significantly, the Company considers lifetime expected credit losses for the purpose of provisioning (loss allowance).

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the Standalone Statement of Profit and Loss.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors and countries. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information.

The Company's assessment is that credit risk in relation to sales made to government customers or sub-contractors to government is extremely low as the probability of default is insignificant; therefore the provision for expected credit losses (ECL) is immaterial in respect of receivables from these customers.

For all non-government customers, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. Further, the Company has assessed credit risk on an individual basis in respect of certain customers in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery.

The movement in loss allowances for security deposits is as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	2.64	2.64
Add: Created during the year	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	**2.64**	**2.64**

(All amounts in ₹ Crores, unless otherwise stated)

The movement in allowance for trade receivables is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	25.96	18.46
Add: Created during the year	4.31	9.17
Less: Utilized during the year	(0.85)	(1.67)
Balance as at the end of the year	**29.42**	**25.96**

Details of expected credit loss as at March 31, 2025

Particulars	Unbilled	Outstanding for following periods from the due date					Total
		Not Due and Less than 180 days	181-360 days	361-540 days	541-720 days	>720 days	
Gross carrying amount – trade receivables (based on provision matrix)	-	198.56	11.22	9.53	3.45	8.97	231.73
Gross carrying amount – trade receivables (considered on individual basis) *	-	84.49	155.65	13.59	10.62	5.64	269.99
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	7.88	7.88
Total	**-**	**283.05**	**166.87**	**23.12**	**14.07**	**22.49**	**509.60**
Expected loss rate	-	1.14%	15.57%	25.29%	42.98%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	-	2.26	1.76	2.42	1.49	8.97	16.90
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	5.64	5.64
Provision due to credit impaired - trade receivables	-	-	-	-	-	6.88	6.88
Loss allowance	**-**	**2.26**	**1.76**	**2.42**	**1.49**	**21.49**	**29.42**
Carrying amount of trade receivables (net of loss allowance)	**-**	**280.79**	**165.11**	**20.70**	**12.58**	**1.00**	**480.18**

* mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

Details of expected credit loss as at March 31, 2024

Particulars	Unbilled	Outstanding for following periods from the due date					Total
		Not Due and Less than 180 days	181-360 days	361-540 days	541-720 days	>720 days	
Gross carrying amount – trade receivables (based on provision matrix)	2.02	123.43	15.43	11.18	3.27	4.70	160.03
Gross carrying amount – trade receivables (considered on individual basis) *	-	432.11	58.00	0.64	0.03	5.64	496.42
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	8.68	8.68
Total	**2.02**	**555.54**	**73.43**	**11.82**	**3.30**	**19.02**	**665.13**
Expected loss rate	1.01%	1.01%	11.41%	22.78%	41.51%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	0.02	1.25	1.76	2.55	1.36	4.70	11.64
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	5.64	5.64
Provision due to credit impaired - trade receivables	-	-	-	-	-	8.68	8.68
Loss allowance	**0.02**	**1.25**	**1.76**	**2.55**	**1.36**	**19.02**	**25.96**
Carrying amount of trade receivables (net of loss allowance)	**2.00**	**554.29**	**71.67**	**9.27**	**1.94**	**-**	**639.17**

* mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 40 - Capital management

The Company's objectives when managing capital are to:

- safeguard Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. For achieving this, the requirement of capital is reviewed periodically with reference to operating and business plans. Apart from internal accrual, sourcing of capital is done through a judicious combination of equity and borrowing, both short term and long term. Debt (total borrowings + lease liabilities) to equity ratio is used to monitor capital.

The debt equity ratio highlights the ability of a business to repay its debts.

Description	As at March 31, 2025	As at March 31, 2024
Total Debt (total borrowings + lease liabilities) (A)	70.13	82.14
Total Equity (B)	741.37	814.56
Debt to equity ratio (A/B) (in times)	**0.09**	**0.10**

Loan Covenants

Under the terms of borrowing facilities, the Company is required to comply with the following covenants:

(i) Financial covenants:

- Total liabilities to net worth (total equity) below 4,
- Interest service coverage ratio above 2,
- Debt service coverage ratio above 1.25,
- Debt to EBITDA ratio below 3.

(ii) Non financial covenants:

- The Company to take prior written 'No Objection Certificate (NOC)' from the bank for the following:

a) In case of dilution of shareholding in NOCIL Limited below 10%.

As at March 31, 2025 and as at March 31, 2024, the Company has complied with the applicable covenants.

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2025	As at March 31, 2024
Compensated Absences (Refer Note 25)	5.52	5.00
Gratuity (Refer Note 25)	4.16	7.20
Total	**9.68**	**12.20**

(i) Compensated Absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. The entire amount of the provision of compensated absences is presented as current, since the Company does not have an unconditional right to defer settlement for the obligation. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Current leave obligations not expected to be settled within the next 12 months	4.42	3.84

(ii) Post employment obligations

(a) Defined Contribution Plans

The Company contributes towards Employees State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognized contribution to these funds aggregating to ₹ 4.00 (March 31, 2024: ₹ 4.43) (Refer Note 31).

(b) Defined Benefit Plans

Gratuity

The Company provides for gratuity as per the Company's scheme or Payment of Gratuity Act, 1972 (last drawn basic salary per month computed proportionately for 15 days multiplied by number of years of service) whichever is more beneficial to the employees. As per the Company's scheme, the amount of gratuity payable on retirement / termination is payable to the employees based on last drawn basic salary per month computed proportionately for 30 / 15 / 30 days (for number of years of service tenure of less than 15 years, more than 15 years but less than 30 years and more than 30 years, respectively). The benefits vest after five years of continuous service. The Company has established Fund to which the Company makes contribution for the employees. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Standalone Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability which are recognized in Other Comprehensive Income.

Provident fund

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund are charged to the Standalone Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Company. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

GRATUITY

The amounts recognized in the Standalone Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2023	**22.28**	**13.95**	**8.33**
Interest Expense / Income	1.66	1.04	0.62
Current Service Cost	1.11	-	1.11
Total amount recognized in the Standalone Statement of Profit and Loss	**2.77**	**1.04**	**1.73**
Remeasurements			
Return on plan assets, excluding amount included in interest expense / income	-	0.50	(0.50)
Loss from change in financial assumptions	1.19	-	1.19
Experience losses	0.66	-	0.66
Total amount recognized in Other Comprehensive Income	**1.85**	**0.50**	**1.35**
Employer Contributions	-	4.14	(4.14)
Benefit Payments	(0.41)	(0.34)	(0.07)
Balance as on March 31, 2024	**26.49**	**19.29**	**7.20**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2024	**26.49**	**19.29**	**7.20**
Interest Expense / Income	1.91	1.39	0.52
Current Service Cost	1.27	-	1.27
Total Amount recognized in the Standalone Statement of Profit and Loss	**3.18**	**1.39**	**1.79**
Remeasurements			
Return on plan assets, excluding amount included in interest expense / income	-	0.96	(0.96)
Loss from change in financial assumptions	1.57	-	1.57
Experience losses	0.20	-	0.20
Total Amount recognized in Other Comprehensive Income	**1.77**	**0.96**	**0.81**
Employer Contributions	-	5.64	(5.64)
Benefit Payments	(4.65)	(4.65)	-
Balance as on March 31, 2025	**26.79**	**22.63**	**4.16**

(All amounts in ₹ Crores, unless otherwise stated)

PROVIDENT FUND

The amounts recognized in the Standalone Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2023	**19.10**	**19.61**	**(0.51)**
Opening Balance adjustment	0.08	-	0.08
Interest Expense	1.53	1.53	-
Current Service Cost	0.85	-	0.85
Employee Contributions	1.08	1.94	(0.86)
Liabilities transferred in	0.08	0.08	-
Return on plan assets	-	(0.15)	0.15
Benefit Payments	(1.22)	(1.22)	-
Balance as on March 31, 2024 *	**21.50**	**21.79**	**(0.29)**

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2024	**21.50**	**21.79**	**(0.29)**
Opening Balance adjustment	0.04	-	0.04
Interest Expense	1.51	1.51	-
Current Service Cost	0.94	-	0.94
Employee Contributions	1.18	2.12	(0.94)
Liabilities transferred in	0.12	0.12	-
Return on plan assets	-	0.09	(0.09)
Benefit Payments	(5.47)	(5.47)	-
Balance as on March 31, 2025 *	**19.82**	**20.16**	**(0.34)**

* Excess of the asset over liability is not recognized in the Standalone Financial Statements

Following tables show breakdown of the defined benefit obligations and plan assets:

GRATUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Obligations	26.79	26.49
Fair Value of Plan Assets	22.63	19.29
Net Liability	**4.16**	**7.20**

PROVIDENT FUND

Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Obligations	19.82	21.50
Fair Value of Plan Assets	20.16	21.79
Net Asset *	**(0.34)**	**(0.29)**

* Excess of the asset over liability is not recognized in the Standalone Financial Statements

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate / Return on plan assets		
Gratuity	6.73%	7.19%
Guaranteed Return		
Provident fund	8.25%	8.25%
Rate of salary increase		
Gratuity	7.00%	6.50%
Rate of employee turnover		
Gratuity	3.00%	3.00%
Mortality rate during employment	Indian assured lives mortality (2012-14) (Urban)	Indian assured lives mortality (2012-14) (Urban)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 1.00 % is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Discount Rate / Return on plan assets				
Gratuity	(1.62)	(0.77)	1.85	0.82
Rate of salary increase				
Gratuity	1.83	0.82	(1.63)	(0.78)
Rate of employee turnover				
Gratuity	(0.06)	0.02	0.06	(0.03)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the Standalone Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plan assets are as follows:

The fair value of the plan assets at the end of the reporting period for each category are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Central Government of India bonds	13.18%	15.71%
State Government Securities	26.81%	22.16%
Special Deposits Scheme	6.91%	7.83%
Debt Instruments/Mutual Funds	49.98%	49.71%
Others	3.12%	4.59%

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Salary Inflation Risk: Higher than expected increase in salary will increase the defined benefit obligation.

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2026 are ₹ 2.10

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2024: 7 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2025	As at March 31, 2024
1st Following Year	3.35	3.72
2nd Following Year	3.59	1.44
3rd Following Year	1.93	3.89
4th Following Year	1.88	2.35
5th Following Year	2.03	2.52
Sum of Years 6 to 10	13.06	13.29
Sum of Years 11 and above	20.82	18.71

Note 42 - Related party transactions

I Name of related parties and nature of relationship:

A) **Subsidiary Companies:**

Mafatlal Services Limited

Pieflowtech Solutions Private Limited (w.e.f October 18, 2024)

B) **Key Management Personnel (KMP):**

H. A. Mafatlal (Executive Chairman)

Priyavrata H. Mafatlal (Son of H.A. Mafatlal) (Managing Director)

Atul K. Srivastava (Non Executive Independent Director)

Vilas R. Gupte (Non Executive Independent Director) (upto August 04, 2024)

Pradip N. Kapadia (Non Executive Independent Director) (upto August 04, 2024)

Latika P. Pradhan (Non Executive Independent Director)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Gautam G. Chakravarti (Non Executive Independent Director)

Sujal A. Shah (Non Executive Independent Director)

Jyotin K. Mehta (Non Executive Independent Director) (w.e.f October 26, 2024)

Ashutosh S. Bishnoi (Non Executive Independent Director) (w.e.f May 27, 2024)

Abhay R. Jadeja (Non Executive Independent Director) (w.e.f May 27, 2024)

Archana Hingorani (Additional Director) (w.e.f February 04, 2025)

Desh Deepak Khetrapal (Additional Director) (w.e.f February 04, 2025)

C) **Relatives of KMP with whom transactions have taken place during the year**

Aarti M. Chadha

Anjali K. Agarwal

Rekha H. Mafatlal

D) **Individual having control:**

H. A. Mafatlal

E) **Entity having significant influence:**

Sumil Trading Private Limited

F) **Entities over which KMP or their relatives have control / significant influence (with whom transactions have taken place):**

NOCIL Limited

N. M. Sadguru Water and Development Foundation

Sri Chaitanya Health and Care Trust

MAF Technologies Private Limited

Pieflowtech Solutions Private Limited (from October 18, 2024) [Refer Note 49(a)]

Sumil Trading Private Limited

Vrata Tech Solutions Private Limited

Vigil Juris (upto August 04, 2024)

Indivar Foundation

Vrata Trading Private Limited

Vrata Ecorenew Energy LLP

Shriaan Trading LLP

H. A. Mafatlal as a Trustee of Gurukripa Trust

H. A. Mafatlal as a Trustee of Karuna Trust

H. A. Mafatlal as a Trustee of Narsingha Trust

H. A. Mafatlal as a Trustee of Shrija Trust

Rekha H. Mafatlal as a Trustee of Radha Raman Trust

Shri H. A. Mafatlal Public Charitable Trust No 1

Seth Navinchandra Mafatlal Foundation Trust No 1

G) **Post employment benefit plan:**

The Mafatlal Gagalbhai & Sons and the Associate Concerns Officer's Superannuation Scheme

Mafatlal Industries Limited - Employees Gratuity Fund

Mafatlal Industries Limited - Employees Provident Fund

Mafatlal Denim Limited - Employees Provident Fund**

Mafatlal Denim Limited - Employees Superannuation Fund**

** No transactions during the current and previous year.

(All amounts in ₹ Crores, unless otherwise stated)

II Transactions with related parties:

A) Key Management personnel compensation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Directors' Remuneration		
Employee benefit expenses #		
Priyavrata H. Mafatlal	3.26	2.58
Directors' sitting fees		
Latika P. Pradhan	0.10	0.08
Atul K. Srivastava	0.12	0.06
Pradip. N. Kapadia	0.04	0.09
Gautam G. Chakravarti	0.12	0.10
Sujal A. Shah	0.11	0.09
Vilas. R. Gupte	0.04	0.10
Abhay R. Jadeja	0.08	-
Ashutosh S. Bishnoi	0.07	-
Jyotin K. Mehta	0.04	-
Archana Hingorani	0.04	-
Desh Deepak Khetrapal	0.04	-
Total compensation	**4.06**	**3.10**

The remuneration does not include the provisions made for gratuity and compensated absences, as they are not determinable since these are based on actuarial valuation on an overall company basis. Further, remuneration includes ₹ 0.30 (March 31, 2024: ₹ 0.26) towards contribution to provident fund and other funds. The remaining remuneration is in nature of short-term employment benefit expense.

B) Transactions carried out with the related parties referred in (I) above, in ordinary course of business:

Nature of transaction	Year ended March 31, 2025	Year ended March 31, 2024
(i) Revenue from contract with customers		
Sumil Trading Private Limited	-	0.10
Vrata Tech Solutions Private Limited	-	0.19
MAF Technologies Private Limited	0.01	-
Shriaan Trading LLP	0.44	-
(ii) Other Income - Utility / business service / air-conditioning charges and other receipts in respect of investment properties		
NOCIL Limited	0.02	0.11
Intensive Clothing Care Unit	-	0.04
(iii) Other income - Rental income		
Sumil Trading Private Limited	0.05	0.05
Vrata Tech Solutions Private Limited	0.02	0.02
Indivar Foundation	0.05	0.02
Pieflowtech Solutions Private Limited	0.02	-
Vrata Trading Private Limited	0.02	-
Vrata Ecorenew Energy LLP	0.01	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Nature of transaction		Year ended March 31, 2025	Year ended March 31, 2024
(iv)	**Other income - Dividend Income**		
	NOCIL Limited	7.58	7.58
(v)	**Lease rent paid**		
	Sumil Trading Private Limited	0.19	0.21
(vi)	**Purchase of Property, plant and equipment / intangible assets**		
	Vrata Tech Solutions Private Limited	0.09	0.20
	Intensive Clothing Care Unit	0.85	-
(viii)	**Other expenses**		
	Intensive Clothing Care Unit (Miscellaneous expenses)	-	0.01
	Mafatlal Services Limited (Miscellaneous expenses)	0.14	0.13
	Vrata Tech Solutions Private Limited (Repairs and maintenance - others - software support services)	0.88	1.10
	Vigil Juris (Other expenses)	0.08	-
	Sumil Trading Private Limited (Miscellaneous expenses)	0.06	-
	Shriaan Trading LLP (Miscellaneous expenses)	0.35	-
	Pieflowtech Solutions Private Limited (Software support services)	0.45	-
	N. M. Sadguru Water and Development Foundation (Expenditure on charity activities)	0.10	-
	Sri Chaitanya Health and Care Trust (Expenditure on charity activities)	0.30	-
(ix)	**Recovery of expenses (net)**		
	Intensive Clothing Care Unit	-	0.02
(x)	**Contribution for Post employment benefit plan**		
	The Mafatlal Gagalbhai & Sons and the associate concerns officer's superannuation scheme	0.35	0.33
	Mafatlal Industries Limited Employee's Gratuity Fund	5.64	4.14
	Mafatlal Industries Limited Employee's Provident Fund	2.12	1.94
(xi)	**Dividend Paid**		
	H. A. Mafatlal	*	-
	Priyavrata H. Mafatlal	*	-
	NOCIL Limited	0.98	-
	Sumil Trading Private Limited	2.71	-
	Relatives of KMP	0.16	-
	Entities in which KMP/ relatives of KMP can exercise significant influence	1.15	-

* Amount is below the rounding off norm adopted by the Company

(All amounts in ₹ Crores, unless otherwise stated)

C) Outstanding balances with related parties referred in (I) above:

Nature of transaction	As at March 31, 2025	As at March 31, 2024
(i) Trade receivables		
NOCIL Limited	-	0.01
Sumil Trading Private Limited	0.01	0.01
Intensive Clothing Care Unit	-	0.48
Vrata Tech Solutions Private Limited	*	-
Shriaan Trading LLP	0.31	-
(ii) Trade payables		
Sumil Trading Private Limited	0.07	-
Mafatlal Services Limited	0.02	0.01
Intensive Clothing Care Unit	-	0.05
Vrata Tech Solutions Private Limited	0.07	0.03
Shriaan Trading LLP	0.14	-
(iii) Advance to Suppliers		
Sumil Trading Private Limited	-	0.01
(iv) Investments in Related Parties		
NOCIL Limited	441.78	629.71
Mafatlal Services Limited	0.28	0.28
Pieflowtech Solutions Private Limited	0.60	-
(v) Employee benefits payable		
Priyavrata H. Mafatlal	0.72	0.40

* Amount is below the rounding off norm adopted by the Company.

Notes:

(a) Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

(b) Transactions were done in ordinary course of business and on normal terms and conditions.

(c) All outstanding balances are unsecured and receivable / payable in cash.

Note 43 - Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matters	27.28	27.28
Central excise, sales tax and related matters	2.40	2.40
Central excise, service tax and GST matters	32.60	29.61
Labor law matters	0.47	0.47
Director General of Foreign Trade matters	0.05	0.05
Total	**62.80**	**59.81**

(a) The Company is a lessee in respect of the land on which Mafatlal Center and Mafatlal Chambers is erected. In this regard:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

In case of Mafatlal Center:

A demand for ₹ 26.97 (March 31, 2024: ₹ 26.97) for the period 2008-10 was raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by various owners for the respective floors with respect to increase in ratable value of Municipal taxes. The demand had been challenged by owners of various floors and during the previous financial year ended March 31, 2024, the concerned adjudicating authority set aside the aforesaid demand which was challenged and revised the demand to ₹ 11.20, which was subsequently paid by the owners of the respective floors. During the current financial year, the Company has received the No Due Certificate with respect to these dues.

In case of Mafatlal Chambers:

A demand for ₹ 7.93 (March 31, 2024: ₹ 7.93) for the period 2000-05 has been raised by BMC towards property taxes in respect of the properties owned by the Company at the relevant time. The said demand has been disputed by the Company. As per the directions given by the Honorable Bombay High Court, the matter was heard by BMC in the current year and the said demand was struck off in full. Subsequent to the financial year, the Company has received the No Due Certificate with respect to these dues.

(b) It is not practicable for the Company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings. The aforementioned amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include further interest and penalty leviable, if any.

(c) The Company does not expect any reimbursement in respect of the above contingent liabilities.

(d) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(e) Contingent liability relating to determination of provident fund liability, based on judgment from Hon'ble Supreme Court, is not determinable at present for the period prior to March, 2019, due to uncertainty of the impact of the judgment in the absence of further clarification relating to applicability. The Company has paid Provident Fund to employees as applicable with effect from March 2019. The Company will continue to assess any further developments in this matter for its implication on the financial statements, if any.

Note 44 - Capital commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Property, Plant and equipment	1.84	-
Less: Capital advances (Refer Note 8)	(0.43)	-
Net capital commitments	1.41	-

Note 45 - Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM consists of Chairman and Managing Director who are responsible for allocating resources and assessing performance of the operating segments.

The Company has identified and reported the following business segments:

a) Textile and related products

b) Digital infrastructure

c) Consumer durables and others (from the year ended March 31, 2024)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Segment revenue, expenses and results:

The revenue and expenses which are directly attributable to any business segment are reported under each reportable segment. The revenue and expenses which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income, including income from investments and investment properties).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

(i) Operating segments based on nature of products

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Income								
Segment revenue	1,217.43	92.89	1,496.91	2,807.23	1,556.12	130.12	392.17	2,078.41
Other income	11.62	-	-	11.62	5.35	-	-	5.35
Total Income	**1,229.05**	**92.89**	**1,496.91**	**2,818.85**	**1,561.47**	**130.12**	**392.17**	**2,083.76**
Expenses								
Cost of materials consumed	138.24	-	-	138.24	150.05	-	-	150.05
Purchases of stock-in-trade	794.82	16.15	1,486.86	2,297.83	1,072.63	99.77	383.72	1,556.12
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3.25)	-	(14.05)	(17.30)	26.21	(0.06)	(0.69)	25.46
Employee benefits expense	42.07	2.85	0.50	45.42	49.15	0.79	0.25	50.19
Depreciation and amortization expense	12.68	1.33	-	14.01	13.43	0.41	-	13.84
Other expenses	186.17	56.16	1.05	243.38	204.18	16.29	3.75	224.22
Total Expenses	**1,170.73**	**76.49**	**1,474.36**	**2,721.58**	**1,515.65**	**117.20**	**387.03**	**2,019.88**
Segment Result	**58.32**	**16.40**	**22.55**	**97.27**	**45.82**	**12.92**	**5.14**	**63.88**
Add / (Less) :								
Unallocated income / (expense) (net)				(4.75)				31.65
Unallocated depreciation and amortization				(1.02)				(1.15)
Unallocable finance cost				(10.96)				(15.34)
Profit before exceptional item and tax				**80.54**				**79.04**
Exceptional Item (Net) (Refer note 35)				(6.00)				-
Profit before tax				**74.54**				**79.04**

Particulars	As at March 31, 2025				As at March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Other Information:								
Segment Assets	609.66	61.93	22.12	693.71	579.94	54.62	207.43	841.99
Unallocable assets #				696.50				964.44
Total Assets				**1,390.21**				**1,806.43**
Segment Liabilities	417.95	9.73	127.07	554.75	517.77	39.53	324.86	882.16
Unallocable liabilities								
Borrowings				68.29				81.67
Others				25.80				28.04
Total Liabilities				**648.84**				**991.87**

Unallocable assets are majorly pertaining to investments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2025				As at March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Capital Expenditure:								
Segment capital expenditure	8.20	3.72	-	11.92	1.54	3.21	-	4.75
Unallocated capital expenditure				0.17				1.27
Total capital expenditure				**12.09**				**6.02**
Depreciation and Amortization:								
Segment depreciation and amortization	12.68	1.33	-	14.01	13.44	0.41	-	13.85
Unallocated depreciation and amortization				1.02				1.15
Total depreciation and amortization				**15.03**				**15.00**
Significant non-cash expenditure (other than depreciation and amortization):								
Segment significant non-cash expenditure	4.31	-	-	4.31	10.13	-	-	10.13
Unallocated significant non-cash expenditure				-				-
Total significant non-cash expenditure (other than depreciation and amortization)				**4.31**				**10.13**

(ii) Entity wide disclosure

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

The Company derives revenue from the transfer of goods and services in the following geographical regions (based on area of sales):

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	2,774.96	2,041.97
Asia (Excluding India)	31.85	34.99
Others	0.42	1.45
Total	**2,807.23**	**2,078.41**

Segment Assets

Non-current assets excluding financial assets, deferred tax assets and income tax assets (based on area of non-current assets):

Particulars	As at March 31, 2025	As at March 31, 2024
India	86.43	86.13
Asia (Excluding India)	-	-
Others	-	-
Total	**86.43**	**86.13**

(All amounts in ₹ Crores, unless otherwise stated)

The Company has revenue of more than 10% from the following customers:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
The Directorate of Food and Consumer Affairs, Jharkhand *	-	440.45
Maharashtra Building and other construction workers welfare board	1,439.65	342.79

* During the year revenue from the customer does not qualify for disclosure under Ind AS 108

Note 46 - Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic Earnings Per Share		
Profit for the year as per the Standalone Statement of Profit and Loss	98.14	98.75
Weighted average number of shares for the purposes of basic earnings per share (in numbers)	7,18,25,827	7,09,38,624
Basic Earnings Per Share (in ₹)	**13.66**	**13.92**
Diluted Earnings Per Share		
Profit for the year as per the Standalone Statement of Profit and Loss	98.14	98.75
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (in numbers)	7,21,82,981	7,18,08,337
Diluted Earnings Per Share (in ₹)	**13.59**	**13.75**
Weighted average number of shares used as the denominator (in numbers)		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	7,18,25,827	7,09,38,624
Adjustment for calculation of diluted earning per share:		
Employees stock option [Refer Note below]	3,57,154	8,69,713
Weighted average number of shares used as the denominator for calculating diluted earnings per share	7,21,82,981	7,18,08,337

Note - Information concerning the classification of securities

Options granted to employees under the Mafatlal Employee Stock Option Scheme 2017 ('ESOS 2017') are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 38.

Note 47 - Government grants

Export Promotion Capital Goods (EPCG): This scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on such capital goods. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as a Capital Grant as stated in the accounting policy on Government Grants [Refer note 2(B)(iii)].

Technology Upgradation Fund Scheme (TUFS): The Company is entitled to subsidy, on its investment in the property, plant and equipment, on fulfillment of the conditions stated in the Scheme.

Duty Drawback Scheme: Under Duty drawback scheme, the Company receives certain percentage of export proceeds as a duty drawback from custom authorities on export of products.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The Government Grants that represent unamortized amount of the subsidy referred below, with the corresponding adjustment to the carrying amount of property, plant and equipment [Refer note 3(a)].

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.95	1.69
Grants during the year	-	-
Less: Released to Standalone Statement of Profit and Loss (Refer Note 28)	(0.54)	(0.74)
Closing balance	**0.41**	**0.95**

Description	As at March 31, 2025	As at March 31, 2024
Current portion (Refer Note 24)	0.41	0.54
Non-current portion (Refer Note 20)	-	0.41
Total	**0.41**	**0.95**

Note 48(a) - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Financial assets		
Trade receivables	479.38	637.65
Deposits with banks	5.85	-
Other financial assets	9.84	-
Non-financial assets		
Inventories	97.29	79.92
Total Current assets pledged as security	**592.36**	**717.57**
Non-current		
Financial assets		
Trade receivables	0.80	1.07
Investments	82.63	184.27
Deposit with bank	0.83	0.83
Non-financial assets		
Land	0.05	0.05
Building	16.95	17.49
Plant and equipment	2.91	56.43
Investment properties	0.03	0.03
Vehicles	2.03	2.38
Total non-current assets pledged as security	**106.23**	**262.55**
Total assets pledged as security	**698.59**	**980.12**

(All amounts in ₹ Crores, unless otherwise stated)

Note 48(b) - Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Current borrowings (excluding current maturities of long-term debt)	(32.61)	(37.42)
Non-current borrowings	(22.54)	(27.19)
Current maturities of long term debt (including accrued interest)	(13.14)	(17.06)
Lease liabilities	(1.84)	(0.46)
Total debt	**(70.13)**	**(82.13)**
Cash and cash equivalents	51.17	182.24
Net debt	**(18.96)**	**100.11**

Particulars	Other assets	Liabilities from financing activities			Total
	Cash and cash equivalents	Non-current borrowings including current maturity and accrued interest	Current borrowings	Lease Liability	
Net debt as at April 01, 2024	**182.24**	**(44.25)**	**(37.42)**	**(0.46)**	**100.11**
Cash flows	(131.07)	8.53	4.81	0.56	(117.17)
Interest expense	-	(3.73)	(2.05)	(0.15)	(5.93)
Interest paid	-	3.77	2.05	0.15	5.97
Non cash movements for acquisitions and disposals	-	-	-	(1.94)	(1.94)
Net debt as at March 31, 2025	**51.17**	**(35.68)**	**(32.61)**	**(1.84)**	**(18.96)**
Net debt as at April 01, 2023	**48.83**	**(43.39)**	**(50.21)**	**(0.75)**	**(45.52)**
Cash flows	133.41	(0.85)	12.79	0.30	145.65
Interest expense	-	(3.45)	(4.44)	(0.09)	(7.98)
Interest paid	-	3.44	4.44	0.08	7.96
Net debt as at March 31, 2024	**182.24**	**(44.25)**	**(37.42)**	**(0.46)**	**100.11**

Note 49

(a) On September 11, 2024 the Board of Directors of the Company approved a strategic investment of ₹ 0.60 in Pieflowtech Solutions Private Limited (PSPL), a Subsidiary company representing 60% of the paid-up share capital of PSPL.

(b) The Board of Directors of the Company at its meeting held on November 14, 2022, approved the scheme of reduction and reorganization of capital ('Scheme') pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013 which was also subsequently approved by the shareholders and creditors of the Company with Appointed Date as mentioned in the Scheme as April 01, 2022. The National Company Law Tribunal, Ahmedabad ('NCLT'), vide its order dated April 29, 2024 (the 'NCLT order') had approved the Scheme with the Appointed Date / Effective Date as March 31, 2024, in respect of which the Company had filed an interlocutory application on May 06, 2024 seeking modification with a plea to reinstate the Appointed date as April 01, 2022, in accordance with the Scheme filed on October 10, 2023. Accordingly, no accounting effect was given in the financial statements for the financial year ended March 31, 2024, which was further supported by a legal opinion obtained by the Company. The aforesaid interlocutory application was heard by the NCLT on June 13, 2024, where the Company additionally filed further application seeking change in Appointed Date to March 31, 2023. The NCLT vide its order dated June 27, 2024, allowed Appointed date as March 31, 2023. Accordingly, the Company has given the accounting effect to the reserves and surplus balances during the year. (Refer Note 17)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 50

(i) As legally advised, the Company has not recognized as income recovery of rent and other charges of ₹ 0.84 upto March 31, 2025 (₹ 0.84 upto March 31, 2024) pending final resolution of legal dispute with certain ex-tenants of a property in South Mumbai. At present, the legal dispute is pending with the Hon'ble Bombay High Court. A sum of ₹ 5.78 and ₹ 2.84 was (towards interest accured) withdrawn by the Company in accordance with the Orders passed by the Hon'ble High Court of Bombay on the Civil Revision Applications filed by the ex-tenants and the said amount of ₹ 5.78 and ₹ 2.84 has been included in other non-current financial liabilities (Refer Note 19).

(ii) In an earlier year, the Company had sold part of its leasehold land at its Mazgaon unit. During prior years, the Company has surrendered the remaining leasehold land (reserved portion admeasuring about 27,287.82 square meters) to Municipal Corporation of Greater Mumbai for the purpose of extension of V.J.B. Udyan. The Company is also required to recommence the spinning unit which can accommodate 10,000 spindles. By virtue of the agreement, the developer will construct a structure and hand it over to the Company.

(iii) Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Company are to be issued one equity share of ₹ 10/- each (before giving effect of sub-division), fully paid-up, in SSL for every 500 shares of ₹ 100/- each, fully paid-up, held in the Company as consideration for the demerger, aggregating to ₹ 0.01. As the shareholders of the Company would be entitled to receive only fractional shares of SSL, the rehabilitation scheme sanctioned by Board for Industrial and Financial Reconstruction (BIFR) envisages that these shares would be acquired by Navin Fluorine International Limited (NFIL) and the shareholders of the Company would receive proportionate payment in consideration thereof. The Company has received the said amount of ₹ 0.01 from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities..

Note 51 - Details of research and development

Details of research and development expenditure recognized as expense:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee benefits expense	0.95	0.89
Consumables	0.08	0.03
Repairs and Maintenance	0.06	0.02
Total	**1.09**	**0.94**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 52 - Financial ratios

The ratios for the years ended March 31, 2025 and March 31, 2024 are as follows:

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Reason for variance (if more than 25%)
Current Ratio (times)	Total current assets	Total current liabilities	1.27	1.11	14.41%	Not applicable as the variance is less than 25% as compared to the previous financial year.
Debt-Equity Ratio (times)	Total debt (Total borrowings + lease liabilities)	Shareholders' equity	0.09	0.10	(10.00%)	Not applicable as the variance is less than 25% as compared to the previous financial year.
Debt service coverage ratio (times)	Earnings available for debt service (Profit for the year + depreciation and amortization expense + finance cost - deferred tax credit)	Debt service (Finance cost paid and principal repayment of lease liabilities and borrowings)	4.41	2.63	67.68%	The change in ratio is on account of reduction in borrowing principal and finance cost paid as compared to the previous financial year and no significant change in earnings for the year as compared to previous financial year.
Return on equity ratio (%)	Profit for the year	Average shareholders' equity	12.61%	13.82%	(8.71%)	Not applicable as the variance is less than 25% as compared to the previous financial year.
Inventory turnover ratio (times)	Revenue from operations	Average inventory	31.68	22.33	41.87%	The change in ratio is on account of increase in revenue from operations in the current financial year as compared to the previous financial year with no significant change in average inventories as compared to previous financial year.
Trade receivables turnover ratio (times)	Revenue from operations (excluding export incentives)	Average trade receivables	5.01	4.49	11.58%	Not applicable as the variance is less than 25% as compared to the previous financial year.
Trade payables turnover ratio (times)	Purchase of raw material and packing material + purchase of stores and spares + purchase of stock-in-trade + other expenses	Average trade payables	4.45	3.41	30.50%	The change in ratio is on account of increase in purchases due to increase in operations in the current financial year as compared to the previous financial year with increase in average trade payables as compared to previous financial year.
Net capital turnover ratio (times)	Revenue from operations	Working capital (current assets - current liabilities)	17.08	19.54	(12.59%)	Not applicable as the variance is less than 25% as compared to the previous financial year.
Net profit ratio (%)	Profit for the year	Revenue from operations	3.50%	4.75%	(26.42%)	The change in ratio is on account of increase in revenue from operations in the current financial year as compared to the previous financial year and no significant change in earnings for the year as compared to previous financial year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Reason for variance (if more than 25%)
Return on capital employed (%)	Earnings before interest, tax and exceptional item	Capital employed = Tangible net worth (shareholder's equity) + borrowings + lease liabilities	11.28%	10.53%	7.12%	Not applicable as the variance is less than 25% as compared to the previous financial year.
Return on investment (money market investments) (%)	Earnings from money market investments	Average funds invested	6.36%	NA	NA	Not applicable as previous year is not comparable.

Note 53 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with approved scheme(s) of arrangements

Refer Note 49(b)

(v) Valuation of Property, plant and equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(vi) Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilization of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(x) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

Note 54 - Events occurring after reporting period

Refer Note 17(a) for the final dividend recommended by the Board of Directors which is subject to the approval of shareholders in the ensuing annual general meeting.

Note 55 - The Standalone Financial Statements were authorized for issue by the Board of Directors on May 13, 2025.

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal Chairman (DIN: 00009872)	**P. H. Mafatlal** Managing Director (DIN: 02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary (Membership No. : ACS20622)
Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Mafatlal Industries Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Mafatlal Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 50 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention to Note 49(b) to the consolidated financial statements relating to the National Company Law Tribunal, Ahmedabad ('NCLT') order dated April 29, 2024 (the 'NCLT order') approving a Scheme of reduction and reorganisation of capital (the 'Scheme') with an Appointed / Effective date of March 31, 2024, against which the Company had filed an interlocutory application with NCLT seeking modification to reinstate the Appointed date of April 1, 2022 in the NCLT order, in accordance with the Scheme filed on October 10, 2023. The aforesaid interlocutory application was heard by the NCLT on June 13, 2024 where the Company additionally filed an application seeking change in the Appointed Date to March 31, 2023. The NCLT, vide its order dated June 27, 2024, has allowed the Appointed date of March 31, 2023, and consequently, the accounting effect to the reserves and surplus balances has been given in the consolidated financial statements for the year ended March 31, 2025. Our opinion is not modified in respect of this matter.

Key audit matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of recoverability of deferred tax assets: Refer Note 36(e) to the consolidated financial statements. The Company has recognised Deferred Tax Assets ('DTA') on temporary differences including accumulated losses and unabsorbed depreciation as it is considered to be recoverable based on the Company's projected taxable profits in the forecast period. The carrying value of DTA (net) is ₹ 59.69 crores as at March 31, 2025. We considered this a key audit matter because significant judgement is required by the Company in determining the recoverability of DTA recognised as the realisation of tax benefits is dependent on future taxable profits and there are inherent uncertainties involved in forecasting such profits.	Our audit procedures included the following: • Evaluation of the design and testing operating effectiveness of Company's controls relating to the assessment of carrying amount of DTA. • Assessed the appropriateness of the Company's accounting policy in respect of recognizing DTA on temporary differences including accumulated losses and unabsorbed depreciation. • Obtained the future taxable profit projections prepared by the management and assessed the reasonableness of the assumptions used in such preparation and compared actual results to management's historical forecasts. • Verified the mathematical accuracy of the calculations underlying the profit projections. • Assessed the appropriateness of tax rate applied to the future taxable profits. • Evaluated whether the taxable temporary differences, on which DTA is recognised, has been assessed by the tax authorities and is available for utilisation in accordance with the provisions of the Income-tax Act, 1961. • Assessed the adequacy of disclosures made in the consolidated financial statements with regard to deferred taxes.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is material misstatements therein, we are required to comunicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated

Independent Auditor's Report (Contd.)

changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' responsibilities for the audit of the consolidated financial statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern

basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The standalone financial statements of two subsidiaries reflect total assets of ₹ 1.06 crores and net assets of ₹ 0.84 crore as at March 31, 2025, total revenue of ₹ 0.84 crore, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 0.21 crore and net cash flows amounting to ₹ 0.02 crore for the year ended on that date, as considered in the consolidated financial statements. The financial statements of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based on the

Independent Auditor's Report (Contd.)

reports of the other auditors and the procedures performed by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 17(b) above on reporting under Section 143(3)(b) and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Rules.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 43 to the consolidated financial statements.

ii. The Group was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2025.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year.

iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 55 to the consolidated financial statements).

(b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 55 to the consolidated financial statements).

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

Independent Auditor's Report (Contd.)

v. The interim dividend declared and paid by the Holding Company during the year is in compliance with Section 123 of the Act.

As stated in Note 17(a) to the consolidated financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained in case if any modification is done by certain users with specific access, for certain records and the audit trail is not maintained for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

18. The Group has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 25102022BMOKWC4256

Place: Mumbai
Date: May 13, 2025

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 17(g) of the Independent Auditors' Report of even date to the members Mafatlal Industries on the consolidated financial statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Mafatlal Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiaries, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Annexure A to Independent Auditor's Report (Contd.)

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiaries which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 25102022BMOKWC4256

Place: Mumbai
Date: May 13, 2025

CONSOLIDATED BALANCE SHEET

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	74.72	79.77
Right-of-use assets	3(b)(i)	1.74	0.42
Capital work-in-progress	3(a)	0.44	-
Investment properties	4	2.00	2.09
Intangible assets	5	6.31	3.32
Financial assets			
i. Other investments	6(A),(B),(C)	443.39	631.47
ii. Trade receivables	10	0.80	1.07
iii. Other financial assets	7	4.91	3.55
Deferred tax assets (net)	36(e)	59.69	14.93
Other non-current assets	8	1.89	0.53
Current tax assets (net)	36(g)	19.76	20.55
Total non-current assets		**615.65**	**757.70**
Current assets			
Inventories	9	97.29	79.92
Financial assets			
i. Trade receivables	10	479.43	638.13
ii. Cash and cash equivalents	11	51.19	182.25
iii. Bank balances other than (ii) above	12	111.10	85.45
iv. Loans	13	0.01	0.01
v. Other financial assets	14	10.02	16.94
Other current assets	15	25.62	45.89
Total current assets		**774.66**	**1,048.59**
TOTAL ASSETS		**1,390.31**	**1,806.29**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	14.38	14.30
Other equity	17		
i. Reserves and surplus		311.92	218.43
ii. Other reserves		414.76	581.65
Equity attributable to owners of Mafatlal Industries Limited		**741.06**	**814.38**
Non Controlling Interest	50(b)	0.33	0.01
Total equity		**741.39**	**814.39**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	22.54	27.19
ii. Lease liabilities	3(b)(ii)	0.98	0.17
iii. Other financial liabilities	19	13.84	19.73
Other non-current liabilities	20	1.49	2.76
Total non-current liabilities		**38.85**	**49.85**
Current liabilities			
Financial liabilities			
i. Borrowings	21	45.75	54.48
ii. Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises; and		9.12	6.92
- total outstanding dues of creditors other than micro enterprises and small enterprises		434.17	758.73
iii. Lease liabilities	3(b)(ii)	0.86	0.29
iv. Other financial liabilities	23	98.51	77.93
Other current liabilities	24	11.92	31.47
Provisions	25	9.74	12.23
Total current liabilities		**610.07**	**942.05**
Total liabilities		**648.92**	**991.90**
TOTAL EQUITY AND LIABILITIES		**1,390.31**	**1,806.29**

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal	**P. H. Mafatlal**	**M. P. Shah**	**A. P. Shah**
Chairman	Managing Director	Chief Financial Officer	Company Secretary
(DIN: 00009872)	(DIN: 02433237)		(Membership No. : ACS20622)
Place: Mumbai	Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: May 13, 2025	Date: May 13, 2025	Date: May 13, 2025	Date: May 13, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	27	2,807.47	2,078.64
Other income	28	34.33	23.67
Other gains (net)	29	3.73	40.15
Total income		**2,845.53**	**2,142.46**
EXPENSES			
Cost of materials consumed		138.24	150.05
Purchases of stock-in-trade		2,297.83	1,556.12
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(17.30)	25.46
Employee benefits expense	31	59.61	61.00
Finance costs	32	10.96	15.34
Depreciation and amortization expense	33	15.07	15.00
Net impairment loss on financial assets	10,14,39	4.31	9.17
Other expenses	34	256.48	231.28
Total expenses		**2,765.20**	**2,063.42**
Profit before exceptional item and tax		**80.33**	**79.04**
Exceptional item	35	(6.00)	-
Profit before tax		**74.33**	**79.04**
Tax expense	36(a)		
- Current tax		-	-
- Deferred tax credit		(23.60)	(19.71)
Total tax expense		**(23.60)**	**(19.71)**
Profit for the year		**97.93**	**98.75**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Changes in fair value of FVOCI equity instruments	17	(187.95)	108.58
- Remeasurements of post-employment benefit obligations charge	41	(0.81)	(1.35)
- Less: Income tax (credit) / charge		(21.16)	9.76
Total Other Comprehensive Income for the year		**(167.60)**	**97.47**
Total Comprehensive (Loss) / Income for the year		**(69.67)**	**196.22**
Profit is attributable to:			
Owners of Mafatlal Industries Limited		98.01	98.75
Non Controlling Interest		(0.08)	-
		97.93	**98.75**
Other Comprehensive Income is attributable to:			
Owners of Mafatlal Industries Limited		(167.60)	97.47
Non Controlling Interest		-	-
		(167.60)	**97.47**
Total Comprehensive (Loss) / Income is attributable to:			
Owners of Mafatlal Industries Limited		(69.59)	196.22
Non Controlling Interest		(0.08)	-
		(69.67)	**196.22**
Earnings per equity share of ₹ 2/- each	46		
Basic (₹)		13.65	13.92
Diluted (₹)		13.58	13.75

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)
Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)
Place: Mumbai
Date: May 13, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as at March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 01, 2023		**14.12**
Changes in equity share capital during the year	16	0.18
As at March 31, 2024		**14.30**
Changes in equity share capital during the year	16	0.08
As at March 31, 2025		**14.38**

B. Other equity

Particulars	Attributable to owners of Mafatlal Industries Limited												Total Other Equity Attributable to Owners	Non Controlling Interest
	Reserves and Surplus											Other Reserves		
	Securities Premium Reserve	Retained Earnings	Capital Reserve No.1	Capital Reserve No. 2	Capital Reserve on Amalgamation	General Reserve	Capital Redemption Reserve	Capital Investment Reserve	Investment Reserve	Share- based payments reserve	Export Profit Reserve	FVOCI - Equity instruments		
As at April 01, 2023	**177.44**	**(191.17)**	**0.61**	**0.35**	**36.34**	**6.20**	**83.83**	**0.76**	**0.02**	**2.58**	**0.20**	**483.17**	**600.33**	**0.01**
Profit for the year	-	98.75	-	-	-	-	-	-	-	-	-	-	98.75	-
Other comprehensive income	-	(1.01)	-	-	-	-	-	-	-	-	-	98.48	97.47	-
Total comprehensive income	**-**	**97.74**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**98.48**	**196.22**	**-**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	0.17	-	-	0.17	-
Employee share options exercised	4.76	-	-	-	-	-	-	-	-	(1.40)	-	-	3.36	-
Transfer / adjustment	(0.72)	0.72	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	**181.48**	**(92.71)**	**0.61**	**0.35**	**36.34**	**6.20**	**83.83**	**0.76**	**0.02**	**1.35**	**0.20**	**581.65**	**800.08**	**0.01**
Profit / (Loss) for the year	-	98.01	-	-	-	-	-	-	-	-	-	-	98.01	(0.08)
Other comprehensive income	-	(0.81)	-	-	-	-	-	-	-	-	-	(166.79)	(167.60)	-
Total comprehensive income	**-**	**97.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(166.79)**	**(69.59)**	**(0.08)**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	2.01	-	-	2.01	-
Transfer from Share-based payments reserve due to forfeiture and lapse of options	-	0.39	-	-	-	-	-	-	-	(0.39)	-	-	-	-
Transfer of gain on FVOCI Equity Instruments to Retained Earnings	-	0.10	-	-	-	-	-	-	-	-	-	(0.10)	-	-
Employee share options exercised	1.92	-	-	-	-	-	-	-	-	(0.55)	-	-	1.37	-
Dividend paid during the year [Refer Note 17(a)]	-	(7.19)	-	-	-	-	-	-	-	-	-	-	(7.19)	-
Accounting effect of NCLT order [Refer Note 49(b)]	(69.12)	190.25	(0.61)	(0.35)	(36.34)		(83.83)	-	-	-	-	-	-	-
Addition (Refer Note 50)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40
As at March 31, 2025	**114.28**	**188.04**	**-**	**-**	**-**	**6.20**	**-**	**0.76**	**0.02**	**2.42**	**0.20**	**414.76**	**726.68**	**0.33**

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)

Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer

Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)

Place: Mumbai
Date: May 13, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2025

(All amounts in ₹ Crores, unless otherwise stated)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
A.	**Cash flows from operating activities**		
	Profit before tax	74.33	79.04
	Adjustments for:		
	Employee share-based payment expense	2.01	0.17
	Depreciation and amortization expense	15.07	15.00
	Finance costs	10.96	15.34
	Net gain on disposal of property, plant and equipment and investment properties	(3.27)	(30.88)
	Net gain from sale of development right certificates	-	(9.27)
	Net gain on sale of investments	(0.08)	-
	Interest income	(8.84)	(5.09)
	Apportioned income from Government grants	(0.54)	(0.74)
	Dividend income from equity investments designated at fair value through other comprehensive income	(7.60)	(7.59)
	Rental income from investment properties	(4.19)	(4.04)
	Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(5.57)	(4.85)
	Bad debts written off	0.85	1.67
	Advances written off	-	0.96
	Loss allowance on financial assets	3.46	7.50
	Loss allowance on deposits	0.87	-
	Net unrealized exchange (gain) / loss	(0.38)	0.09
	Operating profit before working capital changes	**77.08**	**57.31**
	Changes in working capital		
	Adjustments for:		
	(Increase) / Decrease in inventories	(17.36)	26.32
	Decrease / (Increase) in trade and other receivables	180.40	(363.36)
	(Decrease) / Increase in trade and other payables	(327.98)	444.33
	Decrease in provisions	(3.30)	(1.80)
		(168.24)	**105.49**
	Cash (used in) / generated from operations	**(91.16)**	**162.80**
	Direct taxes refund / (paid) (net of refund received)	1.73	(4.00)
	Net cash (outflow) / inflow from operating activities (A)	**(89.43)**	**158.80**
B.	**Cash flows from investing activities**		
	Payments for property, plant and equipment and intangible assets	(13.21)	(6.02)
	Purchase of investments in mutual fund	(289.89)	-
	Proceeds from sale of investment properties (net)	-	10.43
	Proceeds from sale of property, plant and equipment	3.33	20.50
	Proceeds from sale of mutual fund and other investments	290.09	-
	Proceeds from sale of development right certificates	-	9.27
	Term deposits matured / (placed) with banks (net)	(26.99)	(57.74)
	Interest income received	7.92	4.77
	Dividend received from equity investments designated at fair value through other comprehensive income	7.60	7.59
	Rental income from investment properties	4.19	4.04
	Utility / business service / air-conditioning charges and other receipts in respect of investment properties	5.57	4.85
	Net cash outflow from investing activities (B)	**(11.39)**	**(2.31)**

CONSOLIDATED STATEMENT OF CASH FLOWS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. Cash flows from financing activities		
Proceeds from issues of equity shares	1.45	3.54
Proceeds from issues of equity shares to Non-controlling interest shareholders	0.40	-
Dividend paid	(7.19)	-
Non-current borrowings taken	8.63	30.00
Non-current borrowings repaid	(17.16)	(29.15)
Current borrowings taken / (repaid) (net)	(4.81)	(12.79)
Principal element of lease payment	(0.56)	(0.30)
Interest paid on lease liabilities	(0.15)	(0.08)
Interest paid (including other finance costs)	(10.85)	(14.31)
Net cash outflow from financing activities (C)	**(30.24)**	**(23.09)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(131.06)**	**133.40**
Cash and cash equivalents at the beginning of the year	**182.25**	**48.85**
Cash and cash equivalents at the end of the year	**51.19**	**182.25**

Reconciliation of cash and cash equivalents as per the Consolidated Statement of Cash Flows

Components of cash and cash equivalents (Refer Note 11)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.03	0.06
Cheques on hand		
Balances with banks:		
(i) In Current accounts	4.30	157.19
(ii) In Deposit accounts with original maturity of less than 3 months	46.86	25.00
	51.19	**182.25**

Non-cash investing activities

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Acquisition of right-of-use assets (net)	1.94	-

Note:

The above Consolidated Statement of Cash Flows has been prepared under the indirect method as set of in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

Pankaj Khandelia
Partner
Membership Number: 102022

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: May 13, 2025

P. H. Mafatlal
Managing Director
(DIN: 02433237)

Place: Mumbai
Date: May 13, 2025

M. P. Shah
Chief Financial Officer

Place: Mumbai
Date: May 13, 2025

A. P. Shah
Company Secretary
(Membership No. : ACS20622)

Place: Mumbai
Date: May 13, 2025

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended March 31, 2025

1. Background

Mafatlal Industries Limited (the "Company") is a public limited Company incorporated in India having registered office at Ahmedabad, Gujarat. The shares are listed on the Bombay Stock Exchange. The Company belongs to the reputed industrial house of Arvind Mafatlal Group in India, established in 1905. The Company is mainly engaged in textile manufacturing having its manufacturing unit at Nadiad, Gujarat and trading of textile and its related products, digital infrastructure and consumer durable products and others. The Company and its subsidiaries, Mafatlal Services Limited and Pieflowtech Solutions Private Limited (w.e.f. October 18, 2024) are together referred to as the "Group".

2A Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements ('financial statements'). These policies have been consistently applied to all the years presented, unless otherwise stated.

i. Basis of Preparation

(a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015] (as amended) ('the Rules') and other relevant provisions of the Act.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair values;
- Assets held for sale - measured at fair value less cost to sell or their carrying amount whichever is lower;
- Defined benefit plans - plan assets measured at fair value, and
- Share-based payments

(c) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated September 09, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended / notified certain accounting standards (see below), and are effective for annual reporting period on or after April 01, 2024:

- Insurance contracts - Ind AS 117
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

(d) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM consists of Chairman and Managing Director who are responsible for allocating resources and assessing performance of the operating segments. Refer Note 45 for segment information presented.

iii. Revenue Recognition

Sale of goods

Revenue is recognized when the control of the goods is transferred to customer, being when the goods are shipped or delivered to the customer and there are no unfulfilled obligations that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped or delivered to the specific location as the case may be, the risks of obsolescence and loss has been transferred, and either the customer has accepted the goods in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue is recognized based on the price specified in the contract, net of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government, which are levied on sales such as goods and services tax, sales tax, value added tax, etc. Discounts given includes rebates, price reductions and other incentives given to customers. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

A receivable is recognized when the goods are shipped or delivered, as per the terms of sales contract as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sale of services

Revenue from services is recognized in the accounting period in which the services are rendered.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

iv. Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Depreciation is calculated on a pro-rata basis from the date of acquisition / installation till the date the assets are sold or disposed of:

Asset category	Estimated useful life
Buildings	30 to 60 years
Plant and Machinery	9.5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers and hardware	3 years

Leasehold land presented under Right-of-Use Assets.

Individual assets acquired for less than ₹ 0.05 Lakhs are entirely depreciated in the year of acquisition. The residual values are not more than 5% of the original cost of the asset.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Refer note 2B (v) in other accounting policies below relevant to Property, plant and equipment.

v. Intangible assets

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Computer software cost is amortized over a period of 3 years to 5 years using straight-line method.

Refer note 2B (vii) in other accounting policies below relevant to Intangible assets.

vi. Investment properties:

Land and building that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property.

The building component of investment properties net of residual value are depreciated using the straight-line method over their estimated useful life of 30 to 60 years from the date of capitalization.

Refer note 2B (viii) in other accounting policies below relevant to Investment properties.

vii. Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is fair value less cost of disposal. A previously recognized impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognized.

viii. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

ix. Inventories

Raw materials, packing materials, work-in-progress, finished goods, goods in transit, stock-in-trade, stores and spares other than specific spares for machinery are valued at cost or net realizable value whichever is lower.

Items of inventory are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost is determined on the following basis:

- Stores, spares, raw materials, packaging material and stock-in-trade - Weighted average cost
- Work-in-progress and finished goods - Material cost plus appropriate value of overheads
- Others (land) - At cost on conversion to stock-in-trade plus cost of improvement

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

x. Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election (on an instrument-by-instrument basis) at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b) Subsequent measurement

After initial recognition, financial assets are measured at:

- Fair value {through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- Amortized cost

Equity instruments:

The Group subsequently measures all investments in equity instruments other than subsidiary Company associate Company and joint venture at fair value. The Management of the Group has elected to present fair value gains and losses on such equity investments in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss where FVOCI option is chosen. Dividends from such investments continue to be recognized in the Statement of Profit and Loss as other income when the right to receive payment is established.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies:

Investments in subsidiary companies is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(c) *Impairment of financial assets*

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost (e.g. trade receivables, other contractual rights to receive cash or other financial assets). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Group's assessment is that credit risk in relation to sales made to government customers or sub-contractors to government is extremely low as the probability of default is insignificant.

For all non-government customers, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. Further, the Group assesses credit risk on an individual basis in respect of certain customers in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery.

(d) *Income recognition:*

- **Interest income**

  Interest income from financial assets at amortized cost is calculated using the effective interest rate method and is recognized in the Statement of Profit and Loss.

  Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after the deduction of loss allowance).

- **Dividends**

  Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Refer note 2B (viii) in other accounting policies below relevant to Investment and other financial assets.

xi. Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is de-recognized when the obligation specified in the contract is discharged, canceled or expires. A financial liability is extinguished when the debtor either:

a) discharges the liability by paying the creditor, normally with cash, other financial assets, goods or services or;

b) is legally released from primary responsibility for the liability either by process of law or by the creditor.

xii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

xiii. Employee benefits

(a) Post-employment obligations

Defined Benefits plan

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognized in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to trusts administered by the Group for all employees, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognized as a liability with a corresponding charge to the Statement of Profit and Loss.

Provident fund contributions for certain employees are made to a trust administered by the Group in India. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Group is additionally provided. Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

Defined contribution plan

The Group contributes towards Employees

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees, which are defined contribution schemes.

Refer note 2B (xvii) in other accounting policies below relevant to Employee benefits.

2.1 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

The areas involving critical estimates or judgments are:

- Estimation of useful life of property, plant and equipment: Notes 2A(iv), 2B(v) and 3(a)
- Loss Allowance on trade receivables: Refer Notes 10 and 39
- Recoverability of deferred tax assets: Refer Note 36
- Estimation of defined benefit obligation: Note 41
- Contingent Liabilities: Note 43

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2B Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in note 2A above. These policies have been consistently applied to all the years presented, unless otherwise stated.

i. *Foreign Currency Transactions*

a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is the functional and presentation currency of Mafatlal Industries Limited.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

ii. *Income tax*

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit or Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

iii. *Government grants*

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Eligible export incentives are recognized in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

iv. *Leases*

As a lessee

The Group's lease asset classes primarily consist of leases for Land and Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

As a lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

v. *Property, Plant and Equipment*

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Leasehold improvements are amortized over the period of lease or estimated useful lives of such assets, whichever is lower. Period of lease is either the primary lease period or where the Group as a lessee has the right of renewal of lease, and it is intended to renew for further periods, then such extended period.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Refer note 2A (iv) in material accounting policies above relevant to Property, plant and equipment.

vi. *Transition to Ind AS*

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment, investment properties and intangible assets recognized as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment, investment properties and intangible assets.

vii. *Intangible assets*

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Refer note 2A (v) in material accounting policies above relevant to Intangible assets.

Research and development:

Research expenditure and development expenditure that do not meet the capitalization criteria as mentioned above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

viii. *Investment properties*

Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Refer note 2A (vi) in material accounting policies above relevant to Investment properties.

ix. *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

x. *Trade and other payables*

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xi. *Non-current assets (or disposal groups) held for sale and discontinued operations*

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co- ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

xii. *Investments and other financial assets*

(a) Initial recognition and measurement

Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Group commits to purchase or sale financial assets. At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(b) Subsequent measurement

Investments in subsidiary companies:

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Fair Value hierarchy

The judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements in the Note 37. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Group for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Group classifies its debt instruments:

- Measured at amortized cost:

  Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains / (losses). Impairment losses are presented as separate line item in the statement of profit and loss.

- Measured at fair value through Other Comprehensive Income (FVOCI):

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains / (losses) and impairment expenses are presented as separate line item in Statement of Profit and Loss.

- Measured at fair value through profit or loss (FVPL):

  Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in the other income. Refer note 2A (x) in material accounting policy above relevant to Investments and other financial assets.

(c) Derecognition of financial assets

A financial asset is derecognized only when:

- The Group has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

xiii. Derivative instruments

The Group holds derivative financial instruments such as foreign exchange forward and commodity futures to mitigate the risk of changes in exchange rates on foreign currency exposures and changes

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

in prices of raw materials. The counterparty for these contracts is generally a bank.

Derivative financial assets or liabilities are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are expected to be realized within 12 months after the Balance Sheet date.

xiv. *Borrowings*

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, canceled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xv. *Borrowing costs*

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

xvi. *Provisions, contingent liabilities and contingent assets*

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each reporting period and reflect the best current estimate. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognized in the financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realized.

xvii. *Employee benefits*

(a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Other Long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(c) Post-employment obligations

Defined benefit plans

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution plan

The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(d) Share based payments

The fair value of options granted under the Employee Option Plan is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognized in relation to such shares are reversed effective from the date of the forfeiture.

Refer note 2A (xiii) in material accounting policies above relevant to Employee benefits.

xviii. Cash dividend and non-cash distribution

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is no longer at the discretion of the Company. As per the Act, a distribution is authorized when it is approved by the shareholders in case of final dividend and by the Board of Directors in case of interim dividend. A corresponding amount is recognized directly in equity.

xix. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

xx. Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the

Company are segregated based on the available information.

xxi. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xxii. Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xxiii. Exceptional Item

Exceptional item include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

xxiv. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crores as per the requirement of Schedule III, unless otherwise stated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 3(a) - Property, plant and equipment (including capital work-in-progress)

Particulars	Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers and hardware	Railway sidings	Total	Capital work-in-progress
Year ended March 31, 2024										
I. Gross carrying amount										
Opening gross carrying amount	0.05	20.29	136.62	3.11	4.45	5.73	0.73	*	170.98	-
Additions	-	0.99	1.02	0.10	-	0.40	0.29	-	2.80	-
Disposals	-	-	(0.76)	(0.01)	(0.12)	(0.42)	(0.24)	-	(1.55)	-
Closing gross carrying amount	**0.05**	**21.28**	**136.88**	**3.20**	**4.33**	**5.71**	**0.78**	*****	**172.23**	**-**
II. Accumulated depreciation										
Opening accumulated depreciation	-	2.99	69.39	1.48	1.34	4.52	0.24	*	79.96	-
Depreciation charge during the year (Refer Note 33)	-	0.80	11.50	0.25	0.42	0.33	0.35	-	13.65	-
Disposals	-	-	(0.44)	(0.01)	(0.10)	(0.37)	(0.23)	-	(1.15)	-
Closing accumulated depreciation	**-**	**3.79**	**80.45**	**1.72**	**1.66**	**4.48**	**0.36**	*****	**92.46**	**-**
III. Net carrying amount (I - II)	**0.05**	**17.49**	**56.43**	**1.48**	**2.67**	**1.23**	**0.42**	*****	**79.77**	**-**
Year ended March 31, 2025										
I. Gross carrying amount										
Opening gross carrying amount	0.05	21.28	136.88	3.20	4.33	5.71	0.78	*	172.23	-
Additions	-	0.31	6.13	0.13	0.05	0.77	0.63	-	8.02	0.44
Disposals	-	-	(3.91)	-	(0.22)	-	-	-	(4.13)	-
Closing gross carrying amount	**0.05**	**21.59**	**139.10**	**3.33**	**4.16**	**6.48**	**1.41**	*****	**176.12**	**0.44**
II. Accumulated depreciation										
Opening accumulated depreciation	-	3.79	80.45	1.72	1.66	4.48	0.36	*	92.46	-
Depreciation charge during the year (Refer Note 33)	-	0.85	10.56	0.20	0.41	0.41	0.58	-	13.01	-
Disposals	-	-	(3.87)	-	(0.20)	-	-	-	(4.07)	-
Closing accumulated depreciation	**-**	**4.64**	**87.14**	**1.92**	**1.87**	**4.89**	**0.94**	*****	**101.40**	**-**
III. Net carrying amount (I - II)	**0.05**	**16.95**	**51.96**	**1.41**	**2.29**	**1.59**	**0.47**	*****	**74.72**	**0.44**

Notes:

(i) Refer Note 48(a) for information on property, plant and equipment pledged as security by the Group.

(ii) Refer Notes 20, 24 and 47 for government grants related to property, plant and equipment.

(iii) The Group has not capitalized any borrowing cost in the current and previous year.

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Capital work-in-progress (CWIP):

Particulars	Amounts in capital work-in-progress for period of				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Year ended March 31, 2025					
(i) Projects in progress	0.44	-	-	-	0.44
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**0.44**	**-**	**-**	**-**	**0.44**
Year ended March 31, 2024					
(i) Projects in progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Notes:

(i) As at March 31, 2025 and as at March 31, 2024, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

(ii) Capital work-in-progress mainly comprises of electrical equipments and related products.

Note 3(b) - Leases

(i) Right-of-Use Assets

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount - Buildings		
Opening gross carrying amount	0.85	0.85
Additions	2.05	-
Disposal	(0.18)	-
Closing gross carrying amount	**2.72**	**0.85**
II. Accumulated depreciation - Building		
Opening accumulated depreciation	0.43	0.11
Depreciation charge during the year (Refer Note 33)	0.62	0.32
Disposal	(0.07)	-
Closing accumulated depreciation	**0.98**	**0.43**
III. Net carrying amount (I - II)	**1.74**	**0.42**

(ii) Lease Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities		
Current	0.86	0.29
Non-current	0.98	0.17
Total	**1.84**	**0.46**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Amounts recognized in the Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of right-of-use assets - Buildings (Refer Note 33)	0.62	0.32
Interest expense (included in finance costs) (Refer Note 32)	0.15	0.08
Expense relating to short-term leases (included in other expenses) (Refer Note 34)	0.22	0.01
Total	**0.99**	**0.41**

(iv) Non-cash investing activities during the year

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Acquisition of right-of-use assets	2.05	-
Disposal of right-of-use assets	0.11	-
Total	**2.16**	**-**

(v) The maturity analysis of lease liabilities are disclosed in Note 39(A)(ii).

(vi) The weighted average incremental borrowing rate applied to lease liabilities is 14% p.a.

(vii) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(viii) The total cash outflow for leases for the year ended March 31, 2025 was ₹ 0.71 (March 31, 2024: ₹ 0.39) (including short term lease payments).

Note 4 - Investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount		
Opening gross carrying amount	2.73	2.74
Additions	-	-
Disposals	-	(0.01)
Closing gross carrying amount	**2.73**	**2.73**
II. Accumulated depreciation		
Opening accumulated depreciation	0.64	0.40
Depreciation charge during the year (Refer Note 33)	0.09	0.25
Disposals	-	(0.01)
Closing accumulated depreciation	**0.73**	**0.64**
III. Net carrying amount (I - II)	**2.00**	**2.09**

(i) Investment properties consist of buildings and leasehold land.

(ii) Amounts recognized in the Consolidated Statement of Profit and Loss for investment properties:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income from investment properties (Refer note 28)	9.76	8.89
Direct operating expenses towards income from investment properties that generated income	(6.01)	(5.96)
Profit from investment properties before depreciation	**3.75**	**2.93**
Depreciation (Refer Note 33)	(0.09)	(0.25)
Profit from investment properties	**3.66**	**2.68**

(iii) Leasing arrangements

(a) Operating leases

The Group has given certain investment properties on operating lease. These lease arrangements range for a period between eleven to sixty months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancellable operating leases, the future minimum lease receipts as at Balance Sheet date are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Within one year	2.91	2.85
Later than one year but not later than five years	4.44	3.42
Total	**7.35**	**6.27**

b) Finance leases

Investment properties include land portions taken on lease by the Group for a period upto 99 years. The Group has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land, and has thus accounted for the same as finance lease.

(iv) Fair value of investment properties

Particulars	As at March 31, 2025	As at March 31, 2024
Investment properties	74.58	73.38

Estimation of fair value:

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates. All resulting fair value estimates for investment properties are included in level 3. The Group obtains independent valuations from registered valuers for its investment properties annually.

(v) The Group is in the process of getting expired lease renewed in respect of the Lower Parel land with gross and net book value of ₹ 0.08 Lakhs (March 31, 2024: ₹ 0.08 Lakhs).

Note 5 - Intangible assets

Particulars	As at March 31, 2025	As at March 31, 2024
I. Gross carrying amount		
Opening gross carrying amount	9.92	6.53
Additions	4.34	3.39
Closing gross carrying amount	**14.26**	**9.92**
II. Accumulated amortization		
Opening accumulated amortization	6.60	5.82
Amortization during the year (Refer Note 33)	1.35	0.78
Closing accumulated amortization	**7.95**	**6.60**
III. Net carrying amount (I - II)	**6.31**	**3.32**

Notes:

(i) The computer softwares are other than internally generated.

(ii) The remaining useful life of intangible assets ranges from 1 to 5 years as at the year end.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 6 - Non-current investments

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Investment in equity instruments (fully paid)		
Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2024: 79,920) equity shares of ₹ 10/- each of Stanrose Mafatlal Investments and Finance Limited	0.48	0.61
NIL (March 31, 2024: 2,000) equity shares of ₹ 10/- each of Mangal Credit & Fincorp Limited	-	0.02
2,52,59,059 (March 31, 2024: 2,52,59,059) equity shares of ₹ 10/- each of NOCIL Limited $$	441.78	629.71
Unquoted		
NIL (March 31, 2024: 45,000) equity shares of ₹ 10/- each of Cama Hotels Limited**	-	@
1,600 (March 31, 2024: 1,600) equity shares of ₹ 10/- each of Hybrid Financial Services Limited $**	@	@
116 (March 31, 2024: 116) equity shares of ₹ 10/- each of Anil Bioplus Limited	@	@
12,40,000 (March 31, 2024: 12,40,000) equity shares of ₹ 10/- each of Mafatlal Global Apparel Limited	@	@
NIL (March 31, 2024: 13,350) equity shares of ₹ 10/- each of Matcon Export Enterprises Limited###	-	@
2,320 (March 31, 2024: 2,320) equity shares of ₹ 10/- each of Anil Limited@@	@	@
100 (March 31, 2024: 100) equity shares of ₹ 10/- each of Arlabs Limited	@	@
15,000 (March 31, 2024: 15,000) equity shares of ₹ 10/- each of Cellulose Products of India Limited##	@	@
10 (March 31, 2024: 10) equity shares of ₹ 25/- each of Universal Dyestuff Industries Limited@@	@	@
5,870 (March 31, 2024: 5,870) equity shares of ₹ 100/- each of SLM Maneklal Industries Limited**	@	@
30,000 (March 31, 2024: 30,000) equity shares of ₹ 10/- each of Mafatlal Medical Devices Limited@@@	@	@
92,500 (March 31, 2024: 92,500) equity shares of ₹ 100/- each of Janata Sahakari Bank Limited####	0.93	0.93
250 (March 31, 2024: 100) equity shares of ₹ 10/- (March 31, 2024: ₹ 25/-) each of SVC Bank Limited####	@	@
5 (March 31, 2024: 5) Shares of ₹ 50/- each of Sea - Face Park Co-op Housing Society Limited	@	@
26,16,670 (March 31, 2024: 26,16,670) equity shares of ₹ 10/- each of Ibiza Industries Limited***@@	@	@
39,76,002 (March 31, 2024: 39,76,002) equity shares of ₹ 10/- each of Sunanda Industries Limited*@@	@	@
1,46,364 (March 31, 2024: 1,46,364) equity shares of ₹ 100/- each of Mafatlal Engineeering Industries Limited##	@	@
147 (March 31, 2024: 147) equity shares of AED 1,000/- each of Al Fahim Mafatlal Textiles LLC##	@	@

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
17,500 (March 31, 2024: 17,500) equity shares of ₹ 100/- each of The Cosmos Co-Operative Bank Limited####	0.17	0.17
(B) Investments in Government securities		
Unquoted - At amortized cost		
Government securities [Face value of ₹ 0.03 (March 31, 2024: ₹ 0.03)] have been lodged with various authorities**	0.03	0.03
(C) Investment in debentures and bonds		
Unquoted - At amortized cost		
1,65,000 (March 31, 2024: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd.##	@	@
2,050 (March 31, 2024: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited: 11% - Series IV#	@	@
Total	**443.39**	**631.47**

$ Not held in the name of the Company since acquired on Amalgamation.

$$ 47,24,454 (March 31, 2024: 73,91,360) equity shares pledged with banks. Refer Note 48(a) for Assets pledged as security by the Group.

* Subject to non disposal undertakings given to financial institutions. The Company is currently under liquidation. 17,96,002 equity shares (March 31, 2024: 17,96,002 equity shares) were not available for verification.

** Not available for physical verification.

*** 13,50,000 (March 31, 2024: 13,50,000) equity shares of Ibiza Industries Limited have been pledged for loans/ deposit taken by the Company / other companies. 9,50,000 (March 31, 2024: 9,50,000) equity shares not available for physical verification / confirmation not available; currently under liquidation.

#2,050 (March 31, 2024: 2,050) nos.- Not available for physical verification.

Not available for physical verification / confirmation not available; currently under liquidation.

Nil (March 31, 2024: 8,000) equity shares not available for physical verification.

The Group has investments in equity shares of co-operative banks at face value, required as per the bye-laws of these institutions in order to take borrowings from such co-operative banks. The investments are non transferable and will be bought back by the co-operative banks at face value upon the termination of the relationship. These investments are with dividend rights.

@ Amount is below the rounding off norm adopted by the Group.

@@ Under liquidation.

@@@ Struck off.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	442.26	630.34
Aggregate amount of unquoted investments	1.13	1.13
Total	**443.39**	**631.47**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 7 - Non-current - Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security deposits	3.13	3.13
Term deposits with remaining maturity period of more than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	0.91	0.42
(ii) Other term deposits	0.87	-
Others	*	*
Total	**4.91**	**3.55**

Note: There are no financial assets as on March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 8 - Non-current - Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Capital advances	0.43	-
Deposits with government authorities	1.46	0.53
Total	**1.89**	**0.53**

Note 9 - Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	0.40	0.56
Work-in-progress	30.17	35.16
Finished goods	18.81	10.74
Stock-in-trade	43.95	28.88
Stock-in-trade in transit	-	0.85
Packing Material	1.06	0.88
Stores and spares	2.89	2.84
Others (Land) [Refer Note 52 (ii)]	0.01	0.01
Total	**97.29**	**79.92**

Amounts recognized in the Consolidated Statement of Profit and Loss:

Inventory write downs are accounted, considering the nature of inventory, aging and net realizable value. Write down of inventories amounted to ₹ 7.99 (March 31, 2024: Write down of ₹ 4.33) were recognized as an expense during the year and included in 'changes in value of inventories of finished goods, work-in-progress and stock-in-trade' in the Consolidated Statement of Profit and Loss.

* Amount is below the rounding off norm adopted by the Company

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 10 - Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables from contract with customers - billed	509.66	662.97
Trade receivables from contract with customers - unbilled^	-	2.02
Trade receivables from contract with customers - related parties [Refer Note 42(II)(C)]	0.32	0.50
Less : Loss Allowance (Refer Note 39)	(29.75)	(26.29)
Total	**480.23**	**639.20**
Current	479.43	638.13
Non-current	0.80	1.07

Break up of security details

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	502.10	656.81
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	7.88	8.68
Total	**509.98**	**665.49**
Loss allowance (Refer Note 39)	(29.75)	(26.29)
Total	**480.23**	**639.20**

^ The receivable is 'unbilled' because the Group has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Aging of Trade receivables as at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade receivables								
(i) considered good	-	135.09	148.01	166.87	37.19	4.34	4.96	496.46
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								-
(i) considered good	-	-	-	-	-	-	5.64	5.64
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	7.88	7.88
Total	**-**	**135.09**	**148.01**	**166.87**	**37.19**	**4.34**	**18.48**	**509.98**
Loss allowance on trade receivables								(29.75)
Total								**480.23**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Trade receivables as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade receivables								
(i) considered good	2.02	417.70	137.87	73.43	15.12	0.48	4.55	651.17
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								
(i) considered good	-	-	-	-	-	-	5.64	5.64
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	8.68	8.68
Total	**2.02**	**417.70**	**137.87**	**73.43**	**15.12**	**0.48**	**18.87**	**665.49**
Loss allowance on trade receivables								(26.29)
Total								**639.20**

Refer Note 39 for information about credit risk and market risk for trade receivables.

Note 11 - Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.03	0.06
Balances with banks:		
(i) In Current accounts	4.30	157.19
(ii) In Deposit accounts with original maturity of less than 3 months	46.86	25.00
Total	**51.19**	**182.25**

Note 12 - Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Term deposits with remaining maturity of less than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	105.04	78.51
(ii) Other term deposits	5.94	6.87
In earmarked accounts:		
(i) Unclaimed dividend accounts	0.10	0.05
(ii) Balances in Escrow Current accounts (Refer Note below)	0.02	0.02
Total	**111.10**	**85.45**

Note:

Balance in Escrow Current account of ₹ 0.02 (March 31, 2024: Rs 0.02) is operated under the supervision of the Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 13 - Current loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to employees	0.01	0.01
Total	**0.01**	**0.01**

Notes: (i) There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

(ii) There are no loans as at March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 14 - Current - Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated		
Security deposits		
Considered good	8.56	15.18
Considered doubtful	2.64	2.64
	11.20	17.82
Less: Loss allowance on deposits [Refer Note 39 (C)]	(2.64)	(2.64)
	8.56	15.18
Export incentives / Government grant receivable	1.28	1.61
Interest accrued on deposits with banks	-	0.03
Other receivables	0.18	0.12
Total	**10.02**	**16.94**

Note: There are no financial assets as at March 31, 2025 and March 31, 2024 which have significant increase in credit risk or which are credit impaired.

Note 15 - Current - Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Prepaid expenses	1.16	3.27
Balances with government authorities	16.48	18.06
Advance to suppliers	7.98	24.56
Total	**25.62**	**45.89**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 16 - Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
(i) Authorized				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	35,00,00,000	70.00	35,00,00,000	70.00
Preference share of ₹ 10/- each	3,00,00,000	30.00	3,00,00,000	30.00
(ii) Issued				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	7,19,10,430	14.38	7,15,02,930	14.30
(iii) Subscribed and fully paid up				
Equity shares of ₹ 2/- each (March 31, 2024: ₹ 2/- each) with voting rights	7,19,10,430	14.38	7,15,02,930	14.30
Less: Allotment money / Calls in arrears	-	*	-	*
Total	**7,19,10,430**	**14.38**	**7,15,02,930**	**14.30**

(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	**7,15,02,930**	**14.30**	**7,05,97,430**	**14.12**
Add:Shares issued during the year [see note 16(5)(ii)below]	4,07,500	0.08	9,05,500	0.18
Outstanding at the end of the year	**7,19,10,430**	**14.38**	**7,15,02,930**	**14.30**

(2) Terms and rights attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 2/- per share (March 31, 2024: ₹ 2/- per share). Every holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting except for interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(3) Details of shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares:				
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.86%	78,09,552	10.92%
NOCIL Limited	97,73,475	13.59%	97,73,475	13.67%
Sumil Trading Private Limited	2,70,91,630	37.67%	**2,70,91,630**	**37.89%**

* Amount is below the rounding off norm adopted by the Group.

(All amounts in ₹ Crores, unless otherwise stated)

(4) Details of shareholding of promoters:

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of total number of shares	% of change during the year	Number of shares	% of total number of shares	% of change during the year
Equity Shares:						
Rekha H. Mafatlal	500	*	-	500	*	-
H. A. Mafatlal as a Trustee of Gurukripa Trust	500	*	-	500	*	-
H. A. Mafatlal as a Trustee of Karuna Trust	33,90,576	4.71%	-	33,90,576	4.74%	6,78,015.20%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.86%	-	78,09,552	10.92%	15,61,810.40%
Rekha H. Mafatlal as a Trustee of Radha Raman Trust	500	*	-	500	*	-
Aarti M. Chadha	7,45,900	1.04%	-	7,45,900	1.04%	-
H. A. Mafatlal as a Trustee of Shrija Trust	500	*	-	500	*	-
H. A. Mafatlal	6,992	0.01%	-	6,992	0.01%	(99.94%)
Anjali K. Agarwal	8,87,150	1.23%	-	8,87,150	1.24%	-
P. H. Mafatlal	500	*	-	500	*	-
KSJ Trading Private Limited	1,11,525	0.16%	-	1,11,525	0.16%	-
NOCIL Limited	97,73,475	13.59%	-	97,73,475	13.67%	-
Sumil Trading Private Limited	2,70,91,630	37.67%	-	2,70,91,630	37.89%	-
Shri H. A. Mafatlal Public Charitable Trust No 1	1,20,640	0.17%	-	1,20,640	0.17%	-
Seth Navinchandra Mafatlal Foundation Trust No 1	82,530	0.11%	-	82,530	0.12%	-
	5,00,22,470	**69.56%**		**5,00,22,470**	**69.96%**	

* % of total number of shares below the rounding off norm adopted by the Group.

(5) Aggregate number of shares issued for consideration other than cash:

(i) There have been no shares allotted as fully paid up pursuant to contract without payment being received in cash or allotted as fully paid up by way of bonus shares or bought back, for the period of five years immediately preceding the date as at which the consolidated Balance Sheet is prepared.

(ii) Shares reserved for issue under options:

Information relating to Mafatlal Industries Limited Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 38.

(6) Calls unpaid (by other than officers and directors):

Particulars	As at March 31, 2025	As at March 31, 2024
Calls unpaid	*	*

(7) During 1987-88: 5,35,000 shares (of ₹ 100/- each) were allotted on rights basis subject to the result of suit nos. 3,181 and 3,182 of 1987 filed by three shareholders against the Company and Others in the Ahmedabad City Civil Court. The suits are pending disposal.

* Amount is below the rounding off norm adopted by the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 17 - Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	114.28	181.48
Retained Earnings	188.04	(92.71)
General Reserve	6.20	6.20
Capital Reserve No.1	-	0.61
Capital Reserve No. 2	-	0.35
Capital Reserve on Amalgamation	-	36.34
Capital Redemption Reserve	-	83.83
Capital Investment Reserve	0.76	0.76
Investment Reserve	0.02	0.02
Share- based payments Reserve	2.42	1.35
Export Profit Reserve	0.20	0.20
Other reserves:		
FVOCI - Equity instruments	414.76	581.65
Total	**726.68**	**800.08**

(i) Securities Premium

Securities Premium is used to record the premium on issue of shares. This is utilized in accordance with the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	181.48	177.44
Movement during the year	1.92	4.76
Accounting effect of NCLT order [Refer Note 49(b)]	(69.12)	-
Transfer / adjusted		(0.72)
Balance at the end of the year	**114.28**	**181.48**

(ii) Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	(92.71)	(191.17)
Profit for the year	98.01	98.75
Transfer of realized gain on FVOCI Equity Instruments to Retained Earnings	0.10	-
Accounting effect of NCLT order [Refer Note 49(b)]	190.25	-
Transfer from Share-based payments reserve due to forfieture and lapse of options	0.39	-
Dividend paid during the year [Refer Note 17(a)]	(7.19)	-
Other comprehensive income	(0.81)	(1.01)
Transfer / adjustment	-	0.72
Balance at the end of the year	**188.04**	**(92.71)**

(All amounts in ₹ Crores, unless otherwise stated)

(iii) General Reserve

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	6.20	6.20
Movement during the year	-	-
Balance at the end of the year	**6.20**	**6.20**

(iv) Capital Reserve No.1

Capital reserve is to be utilized in accordance with the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.61	0.61
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(0.61)	-
Balance at the end of the year	**-**	**0.61**

(v) Capital Reserve No. 2

The reserve has arisen out of State Government subsidy received by the Group and is separately maintained as per the provisions of the Act.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.35	0.35
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(0.35)	-
Balance at the end of the year	**-**	**0.35**

(vi) Capital Reserve on Amalgamation

The said reserve has arisen out of amalgamation with Mafatlal Denim Limited.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	36.34	36.34
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(36.34)	-
Balance at the end of the year	**-**	**36.34**

(vii) Capital Redemption Reserve

It represents reserve created during buy back of equity shares, preference shares and it is a non-distributable reserve.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	83.83	83.83
Movement during the year	-	-
Accounting effect of NCLT order [Refer Note 49(b)]	(83.83)	
Balance at the end of the year	**-**	**83.83**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(viii) Capital Investment Reserve

The said reserve has arisen out of excess of non taxable sales proceeds over the book values

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.76	0.76
Movement during the year	-	-
Balance at the end of the year	**0.76**	**0.76**

(ix) Investment Reserve

The said reserve has arisen on account of amalgamation with Mafatlal Gagalbhai and Company Private Limited.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.02	0.02
Movement during the year	-	-
Balance at the end of the year	**0.02**	**0.02**

(x) Share-Based Payments Reserve

The said reserve has arisen on account of ESOP scheme announced by the Group.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1.35	2.58
Employee share-based payment expense [Refer Note 38(f)]	2.01	0.17
Transfer from Share-based payments reserve due to forfeiture and lapse of options	(0.39)	-
Employee share options exercised during the year	(0.55)	(1.40)
Balance at the end of the year	**2.42**	**1.35**

(xi) Export Profit Reserve

The said reserve has arisen due to amalgmation with Mafatlal Fine Spinning and Manufacturing Company Limited.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	0.20	0.20
Movement during the year	-	-
Balance at the end of the year	**0.20**	**0.20**

(xii) FVOCI - Equity instruments

The Group fair values certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	581.65	483.17
Change in fair value of FVOCI equity instruments	(166.79)	98.48
Transfer of gain on FVOCI equity instruments to Retained Earnings	(0.10)	-
Balance at the end of the year	**414.76**	**581.65**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 17(a) - Distribution made and proposed

Particulars	As at March 31, 2025	As at March 31, 2024
Dividends on equity shares declared and paid:		
Interim dividend for the year ended March 31, 2025: ₹ 1/- per share of face value of ₹ 2/- each (March 31, 2024: NIL)	7.19	-
Total	**7.19**	**-**
Proposed dividends on equity shares:		
Proposed dividend for the year ended March 31, 2025: ₹ 1/- per share of face value of ₹ 2/- each (March 31, 2024: NIL) (Refer Note below)	7.19	-
Total	**7.19**	**-**

Note: Proposed dividends on equity shares are subject to approval at the Annual General Meeting and are not recognized as a liability as at the balance sheet date.

Note 18 - Non - current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii), (iii), (iv), (vi) and (vii) below]	21.90	26.13
(b) For vehicle loans [Refer Note no.(v) below]	0.64	1.06
Total	**22.54**	**27.19**

(i) Term loan from a Bank, aggregating to ₹ 3.90 (March 31, 2024: ₹ 7.88).	Repayable in 60 monthly installments beginning from April 2021 till March 2026. The rate of interest during the year was in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a. to 11.50% p.a).
(ii) Term loan from a Bank, aggregating to ₹ 4.36 (March 31, 2024: ₹ 8.16).	Repayable in 32 monthly installments beginning from October 2023 till May 2026. The rate of interest for the year was in the range of 10.00% p.a. to 10.25% p.a (March 31, 2024: 10.00% p.a. to 11.50% p.a).
(iii) Term loan from a Bank, amounting to ₹ 17.84 (March 31, 2024: ₹ 19.83).	Repayable in 84 monthly installments beginning from April 2024 till March 2031. The rate of interest for the year was in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a).
- All the above term loans are secured by mortgage of an immovable asset - buildings measuring 14,670 sq. ft. (March 31, 2024: 14,670 sq. ft.) of Mafatlal House at Mumbai.	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iv)	Term loan from a Bank, amounting to ₹ NIL (March 31, 2024: ₹ 6.87) is secured by mortgage of an immovable asset (buildings) measuring 2,945 sq. ft. of Mafatlal House at Mumbai and 1,922 sq. ft. of Ahmedabad office and pledge over NIL (March 31, 2024: 4,59,542) shares of NOCIL Limited and a lien on term deposit. (Also Refer Note 12)	The term loan was repaid in March 2025. The rate of interest for the year was in the range of 10.50% p.a. to 10.90% p.a. (March 31, 2024: 10.50% p.a. to 11.60% p.a.).
(v)	Loans from a Bank, amounting to ₹ 1.06 (March 31, 2024: ₹ 1.44) for vehicles, secured by hypothecation of respective vehicles.	Repayable in monthly installments and the rate of interest for the year was in the range of 8.75 % p.a. to 10.15 % p.a. (March 31, 2024: 8.40 % p.a. to 9.65 % p.a).
(vi)	Term loan from a Bank, amounting to ₹ 2.29 (March 31, 2024: ₹ NIL) is secured by a charge on the plant and machinery acquired out of the said loan and a pari passu charge on the Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr.	Repayable in 72 monthly installments begining from April 2025 till March 2031 (with moratorium of 1 year). The rate of interest during the year was in the range of 9.85% p.a. to 10.10% p.a. (March 31, 2024: NIL).
(vii)	Term loan from a Bank, amounting to ₹ 6.23 (March 31, 2024: ₹ NIL) is secured by pari passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: NIL)	Repayable in 84 monthly installments begining from April 2025 till March 2032. The rate of interest was 10.00% p.a. (March 31, 2024: NIL).

The amounts mentioned include installments falling due within a year aggregating to ₹ 13.11 (March 31, 2024: ₹ 16.99) which have been grouped under "Current Borrowings" (Refer Note 21).

For Liquidity risk information, refer Note 39.

Note 19 - Non-current - Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Trade / Security deposits	4.02	3.97
Advances received against legal matters (Refer Note below)	6.98	12.92
Interest accrued and not due on advance received against legal matters [Refer Note 52(i)]	2.84	2.84
Total	**13.84**	**19.73**

Note: Out of the above, for advances of ₹ 5.78 (March 31, 2024: ₹ 5.78), refer note 50(i).

Note 20 - Non-current - Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred income on Government Grant (Refer Note 47)	-	0.41
Contract liabilities - Unearned revenue (Refer Note 24)	1.49	2.35
Total	**1.49**	**2.76**

(All amounts in ₹ Crores, unless otherwise stated)

Note 21 - Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
From Banks		
Working Capital loans*	6.99	-
Current loans against properties **	25.62	37.42
Current maturities of long-term debt (Refer Note 18)		
(i) From Banks	12.69	16.61
(ii) For vehicle loans	0.42	0.38
Interest accrued but not due on borrowings	0.03	0.07
Total	**45.75**	**54.48**

** Current loans against properties from a bank aggregating to ₹ 10.25 (March 31, 2024: ₹ 24.95) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: 3,66,392 sq. mtr) and charge on certain stocks and book debts, both present and future of the Company which is repayable on demand and carrying an interest in the range of 10.00% p.a. to 10.75% p.a. (March 31, 2024: 10.75% p.a. to 11.50% p.a.).

** Current loans against properties from a bank aggregating to ₹ 15.37 (March 31, 2024: ₹ 12.47) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2024: 3,66,392 sq. mtr) which is repayable on demand and carry an interest in the range of 10.00% p.a. to 10.25% p.a. (March 31, 2024: 10.00% p.a. to 11.00% p.a).

* Working Capital loans from banks aggregating to ₹ 6.99 (March 31, 2024: ₹ NIL) are secured by first charge on certain stocks and book debts, both present and future, of the Company, charge on certain property, pledge of 47,24,454 (March 31, 2024: 69,31,818) equity shares of NOCIL Limited held by the Company. The working capital loans were repayable on demand and carry an interest in the range of 9.65% p.a. to 10.25% p.a. (March 31, 2024: 9.55% p.a. to 11.50% p.a).

For Liquidity risk information, refer Note 39.

Refer Note 48(b) for net debt reconciliation.

Note 22 - Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	9.12	6.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	433.89	758.65
Trade Payables to related parties [Refer Note 42(II)(C)]	0.28	0.08
Total	**443.29**	**765.65**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Aging of Trade Payables as at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	4.75	3.54	0.83	-	-	-	9.12
(ii) Others	69.67	119.66	176.85	58.38	6.14	3.47	434.17
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**74.42**	**123.20**	**177.68**	**58.38**	**6.14**	**3.47**	**443.29**

Aging of Trade Payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	4.14	1.33	1.45	-	-	-	6.92
(ii) Others	49.52	276.52	417.90	11.06	1.49	2.24	758.73
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**53.66**	**277.85**	**419.35**	**11.06**	**1.49**	**2.24**	**765.65**

Note: For Liquidity risk information, Refer Note 39.

(All amounts in ₹ Crores, unless otherwise stated)

Dues to Micro and Small Enterprises:-

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.37	2.78
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.04	0.06
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	7.34	16.98
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0.30
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year (not due)	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	4.71	4.08

Note 23 - Current - Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Unclaimed dividends (refer Note below)	0.10	0.05
Capital creditors	0.28	-
Trade Deposits	89.33	73.34
Employee benefits payable	8.80	4.54
Total	**98.51**	**77.93**

Note: There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

Note 24 - Current - Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	2.59	2.48
Contract liabilities		
(i) Advance from customers (Refer Note 26 below)	4.73	21.25
(ii) Unearned revenue	0.86	0.86
Deferred income on Government Grant (Refer Note 47)	0.41	0.54
Refund liabilities [Refer Note 26(a) below]	2.80	5.34
Others	0.53	1.00
Total	**11.92**	**31.47**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 25 - Current provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	5.57	5.03
(ii) Provision for Gratuity (Refer Note 41)	4.17	7.20
Total	**9.74**	**12.23**

Note 26 - Revenue recognized in relation to contract liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Revenue recognized that was included in contract liabilities at the beginning of the period	17.84	20.27

Note: There has been no significant change in contract liabilities.

Note 26(a): Refund liabilities include:

(i) Customer refund liabilities for discount payable to customers of ₹ 0.30 (March 2024: ₹ 3.24)

(ii) Liquidated damages provided on contractual terms when delivery have exceeded or are likely to exceed the delivery terms of ₹ 2.50 (March 2024: ₹ 2.10)

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contract with customers		
Sale of Products	2,707.00	2,042.48
Sale of Services	93.56	26.96
Total Revenue from contract with customers (A)	**2,800.56**	**2,069.44**
Other operating revenue		
Income from waste / scrap sale	1.59	1.62
Processing income	4.06	5.94
Duty drawback and other export incentives	1.26	1.64
Total other operating revenue (B)	**6.91**	**9.20**
Total Revenue [(A) + (B)]	**2,807.47**	**2,078.64**

(i) The unsatisfied performance obligations from long-term contracts with customers are based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

(ii) Reconciliation of revenue recognized with contract price:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Contract price	2,804.33	2,081.75
Adjustments for:		
Discounts and rebates	(2.12)	(7.97)
Liquidated damages	(1.65)	(4.34)
Total Revenue from contract with customers	**2,800.56**	**2,069.44**

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Disaggregation of revenue from contracts with customers:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
The Group derives revenue from the transfer of goods and services in the following geographical regions:		
India	2,768.29	2,033.00
Asia (Excluding India)	31.85	34.99
Others	0.42	1.45
Total Revenue from contract with customers	**2,800.56**	**2,069.44**

(iv) The Group derives revenue from the transfer of following goods and services:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Textile and related products	1,210.52	1,546.92
Digital infrastructure	92.89	130.12
Consumer durables and others	1,497.15	392.40
Total Revenue from contract with customers	**2,800.56**	**2,069.44**

Note 28 - Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
(i) Financial assets at amortized cost		
Term deposits	7.19	3.38
Others	0.71	1.37
(ii) Income tax refund	0.94	0.34
Rental income from investment properties	4.19	4.04
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	5.57	4.85
Dividend income from equity investments designated at fair value through other comprehensive income	7.60	7.59
Apportioned income from Government grants #	0.54	0.74
Miscellaneous income	7.59	1.36
Total	**34.33**	**23.67**

Government grants have been received for investment in certain items of property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants as at March 31, 2025 (Refer Note 47).

Note 29 - Other gains (net)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net gain on disposal of property, plant and equipment and investment properties [Refer Notes 3(a) and 4]	3.27	30.88
Net gain from sale of development right certificates	-	9.27
Net gain on sale of investments	0.08	-
Net foreign exchange differences	0.38	-
Total	**3.73**	**40.15**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 30 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the end of the year		
Finished goods	18.81	10.74
Work-in-progress	30.17	35.16
Stock-in-trade (Traded goods)	43.95	29.73
Sub-total (A)	**92.93**	**75.63**
Inventories at the beginning of the year		
Finished goods	10.74	15.21
Work-in-progress	35.16	31.59
Stock-in-trade (Traded goods) (including stock-in-transit)	29.73	54.29
Sub-total (B)	**75.63**	**101.09**
Total (B - A)	**(17.30)**	**25.46**

Note 31 - Employee benefits expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages, bonus, etc.	49.59	52.03
Contributions to provident and other funds [Refer Note 41(ii)(a)]	4.04	4.46
Gratuity expense (Refer Note 41)	1.80	1.73
Staff welfare expenses	2.17	2.61
Employee share-based payment expense (Refer Note 38)	2.01	0.17
Total	**59.61**	**61.00**

Note 32 - Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on financial liabilities measured at amortized cost and lease liabilities:		
Interest on borrowings	5.78	7.89
Interest on trade payables	1.05	2.88
Interest on lease liabilities	0.15	0.08
Interest - others	0.15	0.31
Other borrowing costs	3.83	4.18
Total	**10.96**	**15.34**

Note 33 - Depreciation and amortization expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment [Refer Note 3(a)]	13.01	13.65
Depreciation of right-of-use assets [Refer Note 3(b)(i)]	0.62	0.32
Depreciation on investment properties (Refer Note 4)	0.09	0.25
Amortization on intangible assets (Refer Note 5)	1.35	0.78
Total	**15.07**	**15.00**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 34 - Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	32.34	34.75
Processing charges	9.71	7.78
Power and fuel	34.75	44.79
Repairs and maintenance		
Buildings	2.22	2.74
Machinery	1.85	1.29
Others	2.69	3.24
Insurance (net)	1.03	0.81
Lease rent #	0.22	0.01
Sales commission	3.12	5.05
Rates and taxes	3.09	5.26
Sub-contracting and distribution charges	114.27	70.82
Transport and freight charges (net)	14.82	19.97
Donations and Charities	0.46	0.02
Bad Debts written off	0.85	1.67
Less: Allowances there against	(0.85)	(1.67)
Advances written off	-	0.96
Loss allowance on deposits	0.87	-
Legal and professional fees	12.47	10.20
Payments to auditors [Refer Note 34(a)]	0.54	0.46
Directors' fees (Refer Note 42)	0.80	0.52
Net foreign exchange differences	-	0.09
Miscellaneous expenses	21.23	22.52
Total	**256.48**	**231.28**

Lease rent expense pertains to short-term leases.

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payment to the auditors		
As auditor:		
Statutory audit fees	0.37	0.32
Limited review	0.15	0.12
Certification fees	0.01	0.01
Re-imbursement of expenses	0.01	0.01
Total	**0.54**	**0.46**

Note 35 - Exceptional item

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee severance cost comprising voluntary retirement scheme at Nadiad (Refer note below)	6.00	-
Total	**6.00**	**-**

Note: During the year ended March 31, 2025, the Group entered into a Memorandum of Understanding (MOU) with the Workers' Union at its Nadiad location to reduce its workforce and accordingly recognized expenses towards compensation payable as full and final settlement to its certain workers who accepted the offer and disclosed the same as an exceptional item.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 36 - Taxation

36(a) - Tax expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	25.168%	25.168%
Current tax on Profits for the year	-	-
Total current tax	**-**	**-**
Deferred tax credit - Consolidated Statement of Profit and Loss		
Increase in deferred tax assets	(23.54)	(13.32)
Decrease in deferred tax liabilities	(0.06)	(6.39)
Total deferred tax credit	**(23.60)**	**(19.71)**
Deferred tax (credit) / charge - Other Comprehensive Income		
Increase in deferred tax assets	(21.16)	(0.34)
Increase in deferred tax liabilities	-	10.10
Total deferred tax (credit) / charge	**(21.16)**	**9.76**

36(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year	74.33	79.04
Statutory income tax rate applicable to the Group	25.168%	25.168%
Tax expense at applicable tax rate	**18.71**	**19.89**
Tax effects of amounts which are (deductible) / taxable in calculating taxable income:		
Permanent difference on sale of property, plant and equipment, investments, investment properties and development right certificates	(0.83)	(8.39)
Adjustments for current tax of prior periods	3.22	-
Unrecognized deferred tax on tax losses and other temporary differences	1.29	1.63
Expenses not deductible for tax purposes	0.35	0.42
Income for the year set off against brought forward losses on which deferred tax was not recognized in earlier years	(17.00)	(13.28)
Deferred tax recognized for unabsorbed depreciation	(7.52)	(19.71)
Deferred tax recognized for business losses	(24.85)	-
Potential effect of income not chargeable to tax	(1.81)	-
Differential rate on recognition of unabsorbed depreciation	4.70	-
Others	0.14	(0.27)
Income tax expense as per the Consolidated Statement of Profit and Loss	**(23.60)**	**(19.71)**

36(c) - The Taxation Laws (Amendment) Ordinance, 2019 ('ordinance') introduced section 115BAA of the Income-tax Act, 1961 which allowed domestic Companies to opt for an alternative tax regime from financial year 2019-20. As per the said tax regime, Companies are allowed to pay reduced income tax @ 22% (plus surcharge and cess) subject to foregoing of certain exemptions / deductions which were allowed earlier. Pursuant to the aforesaid amendment, the Group, has opted for lower rate of tax with effect from financial year ended March 31, 2023.

36(d) - No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognized in Equity and not in Consolidated Statement of Profit and Loss or Other Comprehensive Income.

(All amounts in ₹ Crores, unless otherwise stated)

36(e) - Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Loss allowance on trade receivables and deposits (net)	1.30	7.20
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	4.23	6.96
Unabsorbed depreciation	17.62	10.10
Business loss	29.34	4.49
Change in fair value of FVOCI equity instruments	10.86	-
Total deferred tax assets	**63.35**	**28.75**
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(3.66)	(3.72)
Change in fair value of FVOCI equity instruments	-	(10.10)
Deferred tax assets (net)	**59.69**	**14.93**

Movement in deferred tax assets 'DTA' / (liabilities) 'DTL'

Particulars	DTA / (DTL) as at March 31, 2023	Charged / (Credited) to profit and loss	Charged / (Credited) to OCI	DTA / (DTL) as at March 31, 2024
Year ended March 31, 2024				
Loss allowance on trade receivables and deposits (net)	5.31	(1.89)	-	7.20
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	7.39	0.77	(0.34)	6.96
Unabsorbed depreciation	-	(10.10)	-	10.10
Business losses	2.39	(2.10)	-	4.49
Property, plant and equipment and intangible assets	(10.11)	(6.39)	-	(3.72)
Change in fair value of FVOCI equity instruments	-	-	10.10	(10.10)
Total deferred tax assets	**4.98**	**(19.71)**	**9.76**	**14.93**

Particulars	DTA / (DTL) as at March 31, 2024	Charged / (Credited) to profit and loss	Charged / (Credited) to OCI	DTA / (DTL) as at March 31, 2025
Year ended March 31, 2025				
Loss allowance on trade receivables and deposits (net)	7.20	5.90	-	1.30
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	6.96	2.93	(0.20)	4.23
Unabsorbed depreciation	10.10	(7.52)	-	17.62
Business losses	4.49	(24.85)	-	29.34
Property, plant and equipment and intangible assets	(3.72)	(0.06)	-	(3.66)
Change in fair value of FVOCI equity instruments	(10.10)	-	(20.96)	10.86
Total deferred tax assets	**14.93**	**(23.60)**	**(21.16)**	**59.69**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The Group has recognized the deferred tax asset on unabsorbed depreciation and business losses of earlier years, loss allowance on trade receivables and deposits and disallowances under Section 35DDA, 40(a)(i) and 43B of the Income Tax Act, 1961. The Group has concluded that the deferred tax assets will be recoverable partially compensated by decrease in deferred tax liabilities and excess will be recovered using estimated future taxable income. Further, unabsorbed depreciation can be carried forward for infinite period as per tax regulations.

36(f) - Tax losses

The Group has not created deferred tax asset on the following tax losses:

Particulars	As at March 31, 2025	As at March 31, 2024
Unabsorbed brought forward depreciation	64.56	241.86
Potential tax benefit @ 25.168% (March 31, 2024: 25.168%)	16.25	60.87
Long term capital loss	24.97	-
Potential tax benefit @ 12.5% (March 31, 2024: 10%)	3.12	-
Total Potential tax benefit	**19.37**	**60.87**

36(g) - Current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax assets [Net of provision of tax ₹ 128.43 (March 31, 2024: ₹ 128.43)]	19.76	20.55

Note 37 - Fair value measurements

(i) Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and bank balances, trade receivables, current loans, trade payables, current borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- The interest rate on term deposits is at the prevailing market rates. Accordingly, fair value of such instrument is not materially different from their carrying amounts.
- The interest rate on borrowing is at the prevailing market rates. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(All amounts in ₹ Crores, unless otherwise stated)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There were no transfers between level 1, level 2 and level 3 during the year.

(ii) Financial instruments by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	442.26	1.10	-	630.34	1.10
- Government securities	-	-	0.03	-	-	0.03
Cash and bank balances	-	-	162.29	-	-	267.70
Loans	-	-	0.01	-	-	0.01
Other financial assets	-	-	14.93	-	-	20.49
Trade receivables	-	-	480.23	-	-	639.20
Total financial assets	**-**	**442.26**	**658.59**	**-**	**630.34**	**928.53**
Financial liabilities						
Borrowings	-	-	68.29	-	-	81.67
Trade payables	-	-	443.29	-	-	765.65
Other financial liabilities	-	-	112.35	-	-	97.66
Total financial liabilities	**-**	**-**	**623.93**	**-**	**-**	**944.98**

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements - Level 1

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted equity investments measured at fair value	442.26	630.34

Difference between fair value of non-current financial instruments carried at amortized cost and carrying value is not considered to be material to the financial statements.

(iii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted shares.
- the fair value of the other unquoted equity investments is mainly pertaining to investments in co-operative banks which are carried at amortized cost and the carrying amounts are equal to the fair values.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 38 - Share based payments

(a) Employee option plan

(i) The Mafatlal Employee Stock Option Scheme 2017 ('ESOS 2017') of Mafatlal Industries Limited was approved by the Board of Directors of the Company at their meeting held on May 5, 2017 and finalized on August 10, 2017. At the Annual General Meeting held on August 2, 2017, the shareholders approved the creation of employee stock option pool of 6,95,000 equity shares of face value of ₹ 10/- each fully paid up (before giving effect of sub-division) on such terms and such manner as the Board may decide in accordance with the provisions of applicable law and ESOS 2017.

The Company has implemented ESOS 2017 with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Nomination and Remuneration Committee ('NRC') administers ESOS 2017, in compliance with the provisions of the Securities and Exchange Board of India (Share Based benefits) Regulations, 2014 and amendments thereof from time to time.

(ii) During the financial year 2017-18, the NRC in its meeting held on November 10, 2017 has granted 1,38,000 options (before giving effect of sub-division) with a progressive vesting to certain senior management employees under the ESOS 2017 and the vesting of options will be @15% on 1st anniversary, 20% on 2nd anniversary, 30% on 3rd anniversary and remaining 35% on 4th anniversary of the grant date. Once vested, the options remain exercisable for a period of four years.

(iii) During the financial year 2019-20, the NRC in its meeting held on August 1, 2019 has granted 3,18,000 options (before giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e. August 01, 2020 and the vested options are exercisable for a period of four years after vesting.

(iv) During the financial year 2022-23, the NRC in its meeting held on May 28, 2022 has granted 3,20,000 options (before giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e. May 28, 2023 and the vested options are exercisable for a period of four years after vesting.

(v) Options are granted under the plan for no consideration and carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options is fair market price of the share as on date of grant of options.

(vi) The options granted and number of shares mentioned are proportionately increased in accordance sub-division of equity shares effective from November 25, 2022. Disclosures have been made after giving effect to the sub-division of equity shares.

(vii) During the financial year 2024-25, the NRC in its meeting held on May 27, 2024 has granted 3,55,000 options (after giving effect of sub-division) to certain management cadre employees of the Company under the ESOS 2017. The options granted vest after completion of one year from the date of grant i.e May 27, 2025 and the vested options are exercisable for a period of four years after vesting.

(All amounts in ₹ Crores, unless otherwise stated)

(b) Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Exercise price (see Note below) (in ₹)	Number of options [see Note (a)(vi) above]	Exercise price (see Note below) (in ₹)	Number of options [see Note (a)(vi) above]
Opening Balance				
Options granted on November 10, 2017	64.54	32,500	64.54	1,61,500
Options granted on August 1, 2019	15.73	12,000	15.73	47,000
Options granted on May 28, 2022	36.20	7,73,500	36.20	15,25,000
Granted during the year				
Options granted on May 27, 2024	131.15	3,55,000	-	-
Excercised during the year				
Options granted on November 10, 2017	64.54	-	64.54	1,19,000
Options granted on August 1, 2019	15.73	12,000	15.73	35,000
Options granted on May 28, 2022	36.20	3,95,500	36.20	7,51,500
Forfeited during the year				
Options granted on November 10, 2017	64.54	32,500	64.54	-
Options granted on May 28, 2022	36.20	79,000	36.20	-
Expired during the year				
Options granted on November 10, 2017	64.54	-	64.54	10,000
Closing Balance				
Options granted on November 10, 2017	64.54	-	64.54	32,500
Options granted on August 1, 2019	15.73	-	15.73	12,000
Options granted on May 28, 2022	36.20	2,99,000	36.20	7,73,500
Options granted on May 27, 2024	131.15	3,55,000	-	-
Vested and exercisable		6,54,000		8,18,000

Note: The earlier exercise price of the options granted on November 10, 2017, August 1, 2019 and May 28, 2022 were ₹ 322.70 per option, ₹ 78.65 per option and ₹ 181.00 per option respectively. The exercise price of these options has been reduced [See Note (a)(vi) above].

(c) The weighted average share price at the dates of exercise of the options exercised during the year ended March 31, 2025 was ₹ 131.80 per share (March 31, 2024: ₹ 144.06 per share).

(d) Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Vesting Date	Expiry Date	Exercise price [see note (a)(vi) above] (in ₹)	Share options March 31, 2025	Share options March 31, 2024	Fair value of options at grant date [see Note (a)(vi) above] (in ₹)
November 10, 2017	November 10, 2020	November 10, 2024	64.54	-	15,000	29.24
November 10, 2017	November 10, 2021	November 10, 2025	64.54	-	17,500	31.24
August 01, 2019	August 01, 2020	August 01, 2024	15.73	-	12,000	5.02
May 28, 2022	May 28, 2023	May 28, 2027	36.20	2,99,000	7,73,500	13.76
May 27, 2024	May 27, 2025	May 27, 2029	131.15	3,55,000	-	66.95
Total				**6,54,000**	**8,18,000**	

Weighted average remaining contractual life of options outstanding at end of period	3.25 years	3.04 years

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(e) Fair Value of options granted

The model inputs for options granted on November 10, 2017 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completions of service for a period of 1-4 years. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 64.54 per option

(c) grant date: November 10, 2017

(d) expiry date: November 10, 2022 - November 10, 2025

(e) share price at grant date: ₹ 62.82 per share

(f) expected price volatility of the Company's shares: 48.32%-51.99%

(g) expected dividend yield: 1.69%

(h) risk free interest rate: 6.51% - 6.91%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on August 01, 2019 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 15.73 per option

(c) grant date: August 01, 2019

(d) expiry date: August 01, 2024

(e) share price at grant date: ₹ 15.73 per share

(f) expected price volatility of the Company's shares: 42.29%

(g) expected dividend yield: 0%

(h) risk free interest rate: 5.97%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on May 28, 2022 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 36.20 per option

(c) grant date: May 28, 2022

(d) expiry date: May 28, 2027

(e) share price at grant date: ₹ 36.20 per share

(f) expected price volatility of the Company's shares: 4.14%

(g) expected dividend yield: 0%

(h) risk free interest rate: 7.35%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

(All amounts in ₹ Crores, unless otherwise stated)

The model inputs for options granted on May 27, 2024 included [see Note 38(a)(vi) above]:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

(b) exercise price: ₹ 131.15 per option

(c) grant date: May 27, 2024

(d) expiry date: May 27, 2029

(e) share price at grant date: ₹ 142.63 per share

(f) expected price volatility of the Company's shares: 56.75%

(g) expected dividend yield: 0%

(h) risk free interest rate: 6.98%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

(f) Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in the Consolidated Statement of Profit and Loss as part of employee benefits expense:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee share-based payment expense (Refer Note 31)	2.01	0.17

Note 39 - Financial risk management

The Group's business activities exposes it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management and key management personnel have the ultimate responsibility for managing these risks. The Group has a mechanism to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's senior management and key management personnel are supported by the finance team and respective business divisions that provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to protect the Group's financial results and position from financial risks; and maintain market risks within acceptable parameters, while optimising returns.

(A) Management of liquidity risk

The principal sources of liquidity of the Group are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. The Group is cognizant of reputational risk that are associated with the liquidity risk and such risk is factored into the overall business strategy. Due to the dynamic nature of the underlying businesses, finance department maintains flexibility in funding by having availbility under commited credit lines

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2025	As at March 31, 2024
Expiring within one year (Current Borrowing facilities)	91.39	62.58
Expiring beyond one year	13.73	-

The bank loan facilities may be drawn at any time and the banks can also recall the facilities basis the breach of applicable covenants.

(ii) Maturity pattern of financial liabilities

The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2025	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	16.95	16.45	14.82
Current borrowings*	32.61	-	-
Trade payables	443.29	-	-
Trade / Security deposits	89.33	3.17	0.85
Lease liabilities	0.86	0.95	0.03
Other financial liabilities (excluding trade / security deposits)	9.18	9.82	-

As at March 31, 2024	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	21.08	18.33	16.12
Current borrowings*	37.42	-	-
Trade payables	765.65	-	-
Trade / Security deposits	73.34	2.23	1.74
Lease liabilities	0.29	0.19	0.05
Other financial liabilities (excluding trade / security deposits)	4.59	15.76	-

* does not include interest payable in future years, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Group.

(B) Management of market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The size and operations of the Group result in it being exposed to the price risk, interest rate risk and foreign exchange risk that arise from its use of financial instruments.

The above risks may affect income and expenses, or the value of the financial instruments of the Group. The objective of the Management of the Group for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group's exposure to and the management of these risks is explained below:

i) Price risk

The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments.

(All amounts in ₹ Crores, unless otherwise stated)

Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities.

Any new investment or divestment must be approved by the Board of Directors and Chief Financial Officer.

a) Price risk sensitivity analysis

As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows:

Particulars	Effect on other comprehensive income	
	5% increase	5% decrease
March 31, 2025	22.11	(22.11)
March 31, 2024	31.52	(31.52)

Above referred sensitivity pertains to quoted equity investments (Refer Note 6).

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market interest rate is limited to borrowings which bear floating interest rate.

The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. As at March 31, 2025, approximately 52.66% of the Group's borrowings is at variable rate of interest (March 31, 2024: 54.23%).

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period is as follows:

a) Interest rate exposure

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	35.96	44.29
Fixed rate borrowings	32.33	37.38

b) Interest rate sensitivity

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period, the Group had the following exposure on variable rate borrowings outstanding. Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year:

Particulars	Effect on profit before tax	
	0.25 bps increase	0.25 bps decrease
March 31, 2025	(0.09)	0.09
March 31, 2024	(0.11)	0.11

iii) Foreign exchange risk

The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognized financial assets and liabilities denominated in a currency that is not the functional currency (₹) of the Group. The risk also includes highly probable foreign currency cash flows.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and AED.

a) Foreign currency risk exposure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Receivable	Receivable in Foreign currency	Receivable	Receivable in Foreign currency
	(₹ in Crores)	(Amount in Foreign currency) (in full numbers)	(₹ in Crores)	(Amount in Foreign currency) (in full numbers)
Trade receivables	4.20	USD 4,90,006	6.35	USD 7,61,412
	-	-	2.27	AED 10,01,013

b) Foreign currency sensitivity

5% is the sensitivity rate used when reporting foreign currency risk and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities is as follows:

Particulars	Effect on profit before tax	
	5% increase	5% decrease
March 31, 2025	**0.21**	**(0.21)**
March 31, 2024	0.43	(0.43)

(C) Management of credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations.

The Group is exposed to credit risk from its operating activities which primarily includes trade receivables, security deposits, cash and cash equivalents, deposit with banks and other bank balances. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalents, deposit with banks and other bank balances

Credit risk related to cash and cash equivalent, deposit with banks and other bank balances is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties and the risk of default is negligible or nil.

Other financial assets

Other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The Group evaluates 12 months expected credit losses for all the financial assets (other than trade receivable) for which credit risk has not increased. In case credit risk has increased significantly, the Group considers lifetime expected credit losses for the purpose of provisioning (loss allowance).

(All amounts in ₹ Crores, unless otherwise stated)

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the Consolidated Statement of Profit and Loss.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors and countries. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information.

The Group's assessment is that credit risk in relation to sales made to government customers or sub-contractors to government is extremely low as the probability of default is insignificant; therefore the provision for expected credit losses (ECL) is immaterial in respect of receivabes from these customers.

For all non-government customers, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix by taking into consideration payment profiles over a period of 36 months before the reporting date and the corresponding historical credit loss experience within this period. The historical loss rates are adjusted to reflect the current and forward looking information on macro economic factors affecting the ability of customers to settle receivables. The expected credit loss is based on aging of days, the receivables due and the expected credit loss rate. Further, the Group has assessed credit risk on an individual basis in respect of certain customers in case of event driven situation such as litigations, disputes, change in customer's credit risk history, specific provision are made after evaluating the relevant facts and expected recovery.

The movement in loss allowances for security deposits is as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	2.64	2.64
Add: Created during the year	-	-
Less: Utilized during the year	-	-
Balance as at the end of the year	**2.64**	**2.64**

The movement in allowance for trade receivables is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	26.29	18.79
Add: Created during the year	4.31	9.17
Less: Utilized during the year	(0.85)	(1.67)
Balance as at the end of the year	**29.75**	**26.29**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Details of expected credit loss as at March 31, 2025

Particulars	Unbilled	Outstanding for following periods from the due date					Total
		Not Due and Less than 180 days	181-360 days	361-540 days	541-720 days	>720 days	
Gross carrying amount – trade receivables (based on provision matrix)	-	198.56	11.22	9.53	3.45	9.30	232.06
Gross carrying amount – trade receivables (considered on individual basis) *	-	84.54	155.65	13.59	10.62	5.64	270.04
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	7.88	7.88
Total	**-**	**283.10**	**166.87**	**23.12**	**14.07**	**22.82**	**509.98**
Expected loss rate	-	1.14%	15.57%	25.29%	42.98%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	-	2.26	1.76	2.42	1.49	9.30	17.23
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	5.64	5.64
Provision due to credit impaired - trade receivables	-	-	-	-	-	6.88	6.88
Loss allowance	**-**	**2.26**	**1.76**	**2.42**	**1.49**	**21.82**	**29.75**
Carrying amount of trade receivables (net of loss allowance)	**-**	**280.84**	**165.11**	**20.70**	**12.58**	**1.00**	**480.23**

* mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

Details of expected credit loss as at March 31, 2024

Particulars	Unbilled	Outstanding for following periods from the due date					Total
		Not Due and Less than 180 days	181-360 days	361-540 days	541-720 days	>720 days	
Gross carrying amount – trade receivables (based on provision matrix)	2.02	123.46	15.43	11.18	3.27	5.03	160.39
Gross carrying amount – trade receivables (considered on individual basis) *	-	432.11	58.00	0.64	0.03	5.64	496.42
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	8.68	8.68
Total	**2.02**	**555.57**	**73.43**	**11.82**	**3.30**	**19.35**	**665.49**
Expected loss rate	1.01%	1.01%	11.41%	22.78%	41.51%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	0.02	1.25	1.76	2.55	1.36	5.03	11.97
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	5.64	5.64
Provision due to credit impaired - trade receivables	-	-	-	-	-	8.68	8.68
Loss allowance	**0.02**	**1.25**	**1.76**	**2.55**	**1.36**	**19.35**	**26.29**
Carrying amount of trade receivables (net of loss allowance)	**2.00**	**554.32**	**71.67**	**9.27**	**1.94**	**-**	**639.20**

* mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

(All amounts in ₹ Crores, unless otherwise stated)

Note 40 - Capital management

The Group's objectives when managing capital are to:

- safeguard Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. For achieving this, the requirement of capital is reviewed periodically with reference to operating and business plans. Apart from internal accrual, sourcing of capital is done through a judicious combination of equity and borrowing, both short term and long term. Debt (total borrowings + lease liabilities) to equity ratio is used to monitor capital.

The debt equity ratio highlights the ability of a business to repay its debts.

Description	As at March 31, 2025	As at March 31, 2024
Total Debt (total borrowings + lease liabilities) (A)	70.13	82.14
Total Equity (B)	741.39	814.39
Debt to equity ratio (A/B) (in times)	**0.09**	**0.10**

Loan Covenants

Under the terms of borrowing facilities, the Group is required to comply with the following covenants:

(i) Financial covenants:

- Total liabilities to net worth (total equity) below 4,
- Interest service coverage ratio above 2,
- Debt service coverage ratio above 1.25,
- Debt to EBITDA ratio below 3.

(ii) Non financial covenants:

- The Group to take prior written 'No Objection Certificate (NOC)' from the bank for the following:

a) In case of dilution of shareholding in NOCIL Limited below 10%.

As at March 31, 2025 and as at March 31, 2024, the Group has complied with the applicable covenants.

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2025	As at March 31, 2024
Compensated Absences (Refer Note 25)	5.57	5.03
Gratuity (Refer Note 25)	4.17	7.20
Total	**9.74**	**12.23**

(i) Compensated Absences

The employees of the Group are entitled to compensated absences as per the policy of the Group. The entire amount of the provision of compensated absences is presented as current, since the Group does not have an unconditional right to defer settlement for the obligation. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Current leave obligations not expected to be settled within the next 12 months	4.42	3.84

(ii) Post employment obligations

(a) Defined Contribution Plans

The Group contributes towards Employees State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Group has recognized contribution to these funds aggregating to ₹ 4.04 (March 31, 2024: ₹ 4.46) (Refer Note 31).

(b) Defined Benefit Plans

Gratuity

The Group provides for gratuity as per the group's scheme or Payment of Gratuity Act, 1972 (last drawn basic salary per month computed proportionately for 15 days multiplied by number of years of service) whichever is more beneficial to the employees. As per the Group's scheme, the amount of gratuity payable on retirement / termination is payable to the employees based on last drawn basic salary per month computed proportionately for 30 / 15 / 30 days (for number of years of service tenure of less than 15 years, more than 15 years but less than 30 years and more than 30 years, respectively). The benefits vest after five years of continuous service. The Group has established Fund to which the Group makes contribution for the employees. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Consolidated Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability which are recognized in other comprehensive income.

Provident fund

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund are charged to the Consolidated Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

GRATUITY

The amounts recognized in the consolidated Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2023	**22.28**	**13.95**	**8.33**
Interest Expense	1.66	1.04	0.62
Current Service Cost	1.11	-	1.11
Total amount recognized in the Consolidated Statement of Profit and Loss	**2.77**	**1.04**	**1.73**
Remeasurements			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.50	(0.50)
Loss from change in financial assumptions	1.19	-	1.19
Experience losses	0.66	-	0.66
Total amount recognized in Other Comprehensive Income	**1.85**	**0.50**	**1.35**
Employer Contributions	-	4.14	(4.14)
Benefit Payments	(0.41)	(0.34)	(0.07)
Balance as on March 31, 2024	**26.49**	**19.29**	**7.20**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2024	**26.49**	**19.29**	**7.20**
Interest Expense	1.91	1.39	0.52
Current Service Cost	1.28	-	1.28
Total amount recognized in the Consolidated Statement of Profit and Loss	**3.19**	**1.39**	**1.80**
Remeasurements			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.97	(0.97)
Loss from change in financial assumptions	1.57	-	1.57
Experience losses	0.21	-	0.21
Total amount recognized in Other Comprehensive Income	**1.78**	**0.97**	**0.81**
Employer Contributions	-	5.64	(5.64)
Benefit Payments	(4.65)	(4.65)	-
Balance as on March 31, 2025	**26.81**	**22.64**	**4.17**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

PROVIDENT FUND

The amounts recognized in the Consolidated Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2023	**19.10**	**19.61**	**(0.51)**
Opening Balance adjustment	0.08	-	0.08
Interest Expense	1.53	1.53	-
Current Service Cost	0.85	-	0.85
Employee Contributions	1.08	1.94	(0.86)
Liabilities transferred in	0.08	0.08	-
Return on plan assets	-	(0.15)	0.15
Benefit Payments	(1.22)	(1.22)	-
Balance as on March 31, 2024 *	**21.50**	**21.79**	**(0.29)**

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2024	**21.50**	**21.79**	**(0.29)**
Opening Balance adjustment	0.04	-	0.04
Interest Expense	1.51	1.51	-
Current Service Cost	0.94	-	0.94
Contributions	1.18	2.12	(0.94)
Liabilities transferred in	0.12	0.12	-
Return on plan assets	-	0.09	(0.09)
Benefit Payments	(5.47)	(5.47)	-
Balance as on March 31, 2025 *	**19.82**	**20.16**	**(0.34)**

* Excess of the asset over liability is not recognized in the Consolidated Financial Statements

Following tables show breakdown of the defined benefit obligations and plan assets:

GRATUITY

Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Obligations	26.81	26.49
Fair Value of Plan Assets	22.64	19.29
Net Liability	**4.17**	**7.20**

PROVIDENT FUND

Particulars	As at March 31, 2025	As at March 31, 2024
Present Value of Obligations	19.82	21.50
Fair Value of Plan Assets	20.16	21.79
Net Asset *	**(0.34)**	**(0.29)**

* Excess of the asset over liability is not recognized in the Consolidated Financial Statements

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The significant actuarial assumptions were as follows:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Discount Rate / Return on plan assets		
Gratuity	6.73%	7.19%
Guaranteed Return		
Provident fund	8.25%	8.25%
Rate of salary increase		
Gratuity	7.00%	6.50%
Rate of employee turnover		
Gratuity	3.00%	3.00%
Mortality rate during employment	Indian assured lives mortality (2012-14) (Urban)	Indian assured lives mortality (2012-14) (Urban)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 1.00 % is as below:

Particulars	**Impact on defined benefit obligation**			
	Increase in assumptions		**Decrease in assumptions**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Discount Rate / Return on plan assets				
Gratuity	(1.62)	(0.77)	1.85	0.82
Rate of salary increase				
Gratuity	1.83	0.82	(1.63)	(0.78)
Rate of employee turnover				
Gratuity	(0.06)	0.02	0.06	(0.03)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the consolidated Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plan assets are as follows:

The fair value of the plan assets at the end of the reporting period for each category are as follows:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Central Government of India bonds	13.18%	15.71%
State Government Securities	26.81%	22.16%
Special Deposits Scheme	6.91%	7.83%
Debt Instruments / Mutual Funds	49.98%	49.71%
Others	3.12%	4.59%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Salary Inflation Risk: Higher than expected increase in salary will increase the defined benefit obligation.

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2026 are ₹ 2.10

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2024: 7 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2025	As at March 31, 2024
1st Following Year	3.35	3.72
2nd Following Year	3.59	1.44
3rd Following Year	1.93	3.89
4th Following Year	1.88	2.35
5th Following year	2.03	2.52
Sum of 6 to 10	13.06	13.29
Sum of 11 and above	20.82	18.71

Note 42 - Related party transactions

I Name of related parties and nature of relationship:

A) **Key Management Personnel (KMP):**

H. A. Mafatlal (Executive Chairman)
Priyavrata H. Mafatlal (Son of H.A. Mafatlal) (Managing Director)
Atul K. Srivastava (Non Executive Independent Director)
Vilas R. Gupte (Non Executive Independent Director) (upto August 04, 2024)
Pradip N. Kapadia (Non Executive Independent Director) (upto August 04, 2024)
Latika P. Pradhan (Non Executive Independent Director)
Gautam G. Chakravarti (Non Executive Independent Director)
Sujal A. Shah (Non Executive Independent Director)
Jyotin K. Mehta (Non Executive Independent Director) (w.e.f October 26, 2024)
Ashutosh S. Bishnoi (Non Executive Independent Director) (w.e.f May 27, 2024)

Abhay R. Jadeja (Non Executive Independent Director) (w.e.f May 27, 2024)
Archana Hingorani (Additional Director) (w.e.f February 04, 2025)
Desh Deepak Khetrapal (Additional Director) (w.e.f February 04, 2025)

B) **Relatives of KMP with whom transactions have taken place during the year**

Aarti M. Chadha
Anjali K. Agarwal
Rekha H. Mafatlal

C) **Individual having control:**

H. A. Mafatlal

D) **Entity having significant influence:**

Sumil Trading Private Limited

E) **Entities over which KMP or their relatives have control / significant influence (with whom transactions have taken place):**

NOCIL Limited
N. M. Sadguru Water and Development Foundation
Sri Chaitanya Health and Care Trust
MAF Technologies Private Limited
Intensive Clothing Care Unit
Sumil Trading Private Limited
Vrata Tech Solutions Private Limited
Vigil Juris (upto August 04, 2024)
Indivar Foundation
Vrata Trading Private Limited
Vrata Ecorenew Energy LLP
Shriaan Trading LLP
H. A. Mafatlal as a Trustee of Gurukripa Trust
H. A. Mafatlal as a Trustee of Karuna Trust
H. A. Mafatlal as a Trustee of Narsingha Trust
H. A. Mafatlal as a Trustee of Shrija Trust
Rekha H. Mafatlal as a Trustee of Radha Raman Trust
Shri H. A. Mafatlal Public Charitable Trust No 1
Seth Navinchandra Mafatlal Foundation Trust No 1

F) **Post employment benefit plan:**

The Mafatlal Gagalbhai & Sons and the Associate Concerns Officer's Superannuation Scheme
Mafatlal Industries Limited - Employees Gratuity Fund
Mafatlal Industries Limited - Employees Provident Fund
Mafatlal Denim Limited - Employees Provident Fund**
Mafatlal Denim Limited - Employees Superannuation Fund**
** No transactions during the current and previous year.

G) **Individuals having significant influence over subsidiary of the Group and their related entities**

Jitendra Pradhan (w.e.f October 18, 2024)
Dipyaman Baral (w.e.f October 18, 2024)
Apexpie Solutions Private Limited (w.e.f October 18, 2024)
Vridhee Innovations Private Limited (w.e.f October 18, 2024)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

II Transactions with related parties:

A) Key Management personnel compensation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Directors' Remuneration		
Employee benefit expenses #		
Priyavrata H. Mafatlal	3.26	2.58
Directors' sitting fees		
Latika P. Pradhan	0.10	0.08
Atul K. Srivastava	0.12	0.06
Pradip. N. Kapadia	0.04	0.09
Gautam G. Chakravarti	0.12	0.10
Sujal A. Shah	0.11	0.09
Vilas. R. Gupte	0.04	0.10
Abhay R. Jadeja	0.08	-
Ashutosh S. Bishnoi	0.07	-
Jyotin K. Mehta	0.04	-
Archana Hingorani	0.04	-
Desh Deepak Khetrapal	0.04	-
Total compensation	**4.06**	**3.10**

The remuneration does not include the provisions made for gratuity and compensated absences, as they are not determinable since these are based on actuarial valuation on an overall company basis. Further, remuneration includes ₹ 0.30 (March 31, 2024: ₹ 0.26) towards contribution to provident fund and other funds. The remaining remuneration is in nature of short-term employment benefit expense.

B) Transactions carried out with the related parties referred in (I) above, in ordinary course of business:

Nature of transaction	Year ended March 31, 2025	Year ended March 31, 2024
(i) Revenue from contract with customers		
Sumil Trading Private Limited	-	0.10
Vrata Tech Solutions Private Limited	-	0.19
MAF Technologies Private Limited	0.01	-
Shriaan Trading LLP	0.44	-
(ii) Other Income - Utility / business service / air-conditioning charges and other receipts in respect of investment properties		
NOCIL Limited	0.02	0.11
Intensive Clothing Care Unit	-	0.04
(iii) Other income - Rental income		
Sumil Trading Private Limited	0.05	0.05
Vrata Tech Solutions Private Limited	0.02	0.02
Indivar Foundation	0.05	0.02
Vrata Trading Private Limited	0.02	-
Vrata Ecorenew Energy LLP	0.01	-
(iv) Other income - Dividend Income		
NOCIL Limited	7.58	7.58

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Nature of transaction		Year ended March 31, 2025	Year ended March 31, 2024
(v)	**Lease rent paid**		
	Sumil Trading Private Limited	0.19	0.21
(vi)	**Purchase of Property, plant and equipment / intangible assets**		
	Vrata Tech Solutions Private Limited	0.09	0.20
	Intensive Clothing Care Unit	0.85	-
	Apexpie Solutions Private Limited (w.e.f October 18, 2024)	0.61	-
(viii)	**Other expenses**		
	Intensive Clothing Care Unit (Miscellaneous expenses)	-	0.01
	Vrata Tech Solutions Private Limited (Repairs and maintenance - others - software support services)	0.88	1.10
	Vigil Juris (Other expenses)	0.08	-
	Sumil Trading Private Limited (Miscellaneous expenses)	0.06	-
	Shriaan Trading LLP (Miscellaneous expenses)	0.35	-
	Jitendra Pradhan (Consultancy fees)	0.27	-
	Dipyaman Baral (Consultancy fees)	0.06	-
	Apexpie Solutions Private Limited (software support services)	0.87	-
	Vridhee Innovations Private Limited (software support services)	0.47	-
	N. M. Sadguru Water and Development Foundation (Expenditure on charity activities)	0.10	-
	Sri Chaitanya Health and Care Trust (Expenditure on charity activities)	0.30	-
(ix)	**Recovery of expenses (net)**		
	Intensive Clothing Care Unit	-	0.02
(x)	**Contribution for Post employment benefit plan**		
	The Mafatlal Gagalbhai & Sons and the associate concerns officer's superannuation scheme	0.35	0.33
	Mafatlal Industries Limited Employee's Gratuity Fund	5.64	4.14
	Mafatlal Industries Limited Employee's Provident Fund	2.12	1.94
(xi)	**Dividend Paid**		
	H. A. Mafatlal	*	-
	Priyavrata H. Mafatlal	*	-
	NOCIL Limited	0.98	-
	Sumil Trading Private Limited	2.71	-
	Relatives of KMP	0.16	-
	Entities in which KMP / relatives of KMP can exercise significant influence	1.15	-

* Amount is below the rounding off norm adopted by the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

C) Outstanding balances with related parties referred in (I) above:

Nature of transaction	As at March 31, 2025	As at March 31, 2024
(i) Trade receivables:		
NOCIL Limited	-	0.01
Sumil Trading Private Limited	0.01	0.01
Intensive Clothing Care Unit	-	0.48
Vrata Tech Solutions Private Limited	*	-
Shriaan Trading LLP	0.31	-
(ii) Trade payables:		
Sumil Trading Private Limited	0.07	-
Intensive Clothing Care Unit	-	0.05
Vrata Tech Solutions Private Limited	0.07	0.03
Shriaan Trading LLP	0.14	-
(iii) Advance to Suppliers		
Sumil Trading Private Limited	-	0.01
(iv) Investments in Related Parties		
NOCIL Limited	441.78	629.71
(v) Employee benefits payable		
Priyavrata H. Mafatlal	0.72	0.40

* Amount is below the rounding off norm adopted by the Group.

Notes:

(a) Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

(b) Transactions were done in ordinary course of business and on normal terms and conditions.

(c) All outstanding balances are unsecured and receivable / payable in cash.

Note 43 - Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax matters	27.28	27.28
Central excise, sales tax and related matters	2.40	2.40
Central excise and service tax matters	32.60	29.61
Labor law matters	0.47	0.47
Director General of Foreign Trade matters	0.05	0.05
Total	**62.80**	**59.81**

(a) The Group is a lessee in respect of the land on which Mafatlal Center and Mafatlal Chambers is erected. In this regard:

In case of Mafatlal Center:

A demand for ₹ 26.97 (March 31, 2024: ₹ 26.97) for the period 2008-10 was raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by various owners for the respective floors with respect to increase in ratable value of Municipal taxes. The demand had been challenged by owners of various floors and during the financial year ended March 31, 2024, the concerned adjudicating authority set aside the aforesaid demand which was challenged and revised the demand to ₹ 11.20, which was subsequently paid by the owners of the respective floors. During the current financial year, the Group has received the No dues certificate with respect to these dues.

(All amounts in ₹ Crores, unless otherwise stated)

In case of Mafatlal Chambers:

A demand for ₹ 7.93 (March 31, 2024: ₹ 7.93) for the period 2000-05 has been raised by BMC towards property taxes in respect of the properties owned by the Group at the relevant time. The said demand has been disputed by the Group. As per the directions given by the Honorable Bombay High Court, the matter was heard by BMC in the current year and the said demand was struck off in full. Subsequent to the financial year, the Group has received the No Due Certificate with respect to these dues.

(b) It is not practicable for the Group to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings. The aforementioned amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include further interest and penalty leviable, if any.

(c) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(d) The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(e) Contingent liability relating to determination of provident fund liability, based on judgment from Honorable Supreme Court, is not determinable at present for the period prior to March, 2019, due to uncertainty of the impact of the judgment in the absence of further clarification relating to applicability. The Group has paid Provident Fund to employees as applicable with effect from March 2019. The Group will continue to assess any further developments in this matter for its implication on the financial statements, if any.

Note 44 - Capital commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Property, Plant and equipment	1.84	-
Less: Capital advances (Refer Note 8)	(0.43)	-
Net capital commitments	1.41	-

Note 45 - Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM consists of Chairman and Managing Director who are responsible for allocating resources and assessing performance of the operating segments.

The Group has identified and reported the following business segments:

a) Textile and related products

b) Digital infrastructure

c) Consumer durables and others (from the year ended March 31, 2024)

Segment revenue and results:

The revenue and expenses which are directly attributable to any business segment are reported under each reportable segment. The revenue and expenses which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income, including income from investments and investment properties).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily includes trade payables and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

i) Operating segments based on nature of products

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Income								
Segment revenue	1,217.43	92.89	1,497.15	2,807.47	1,556.12	130.12	392.40	2,078.64
Other income	11.62	-	0.01	11.63	5.35	-	-	5.35
Total Income	**1,229.05**	**92.89**	**1,497.16**	**2,819.10**	**1,561.47**	**130.12**	**392.40**	**2,083.99**
Expenses								
Cost of materials consumed	138.24	-	-	138.24	150.05	-	-	150.05
Purchases of stock-in-trade	794.82	16.15	1,486.86	2,297.83	1072.63	99.77	383.72	1556.12
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3.25)	-	(14.05)	(17.30)	26.21	(0.06)	(0.69)	25.46
Employee benefits expense	42.07	3.25	0.78	46.10	49.15	0.79	0.25	50.19
Depreciation and amortization expense	12.68	1.37	-	14.05	13.43	0.41	-	13.84
Other expenses	186.17	55.93	1.02	243.12	204.18	16.29	3.98	224.45
Total Expenses	**1,170.73**	**76.70**	**1,474.61**	**2,722.04**	**1515.65**	**117.20**	**387.26**	**2,020.11**
Segment Result	58.32	16.19	22.55	97.06	45.82	12.92	5.14	63.88
Add / (Less) :								
Unallocated income / (expense) (net)				(4.75)				31.65
Unallocated depreciation and amortization				(1.02)				(1.15)
Unallocable finance cost				(10.96)				(15.34)
Profit before exceptional item and tax				**80.33**				**79.04**
Exceptional Item (Net) (Refer note 35)				(6.00)				-
Profit before tax				**74.33**				**79.04**

Particulars	As at March 31, 2025				As at March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Other Information:								
Segment Assets	609.66	62.75	22.18	694.59	579.94	54.62	207.43	841.99
Unallocable assets #				695.72				964.30
Total Assets				**1,390.31**				**1,806.29**
Segment Liabilities	417.95	9.76	127.07	554.78	517.77	39.53	324.86	882.16
Unallocable liabilities								
Borrowings				68.29				81.67
Others				25.85				28.07
Total Liabilities				**648.92**				**991.90**

Unallocable assets are majorly pertaining to investments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2025				Year ended March 31, 2024			
	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure	Consumer Durables and others	Total
Capital Expenditure:								
Segment capital expenditure	1.03	3.72	-	4.75	1.54	3.21	-	4.75
Unallocated capital expenditure				1.27				1.27
Total capital expenditure				**6.02**				**6.02**
Depreciation and amortization:								
Segment depreciation and amortization	12.68	1.37	-	14.05	13.44	0.41	-	13.85
Unallocated depreciation and amortization				(1.02)				1.15
Total depreciation and amortization				**13.02**				**15.00**
Significant non-cash expenditure (other than depreciation and amortization):								
Segment significant non-cash expenditure	4.31	-	-	4.31	10.13	-	-	10.13
Unallocated significant non-cash expenditure				-				-
Total significant non-cash expenditure (other than depreciation and amortization)				**4.31**				**10.13**

(ii) Entity wide disclosure

The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

The Group derives revenue from the transfer of goods and services in the following geographical regions (based on area of sales):

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	2,775.20	2,042.20
Asia (Excluding India)	31.85	34.99
Others	0.42	1.45
Total	**2,807.47**	**2,078.64**

Segment Assets

Non-current assets excluding financial assets, deferred tax assets and income tax assets (based on area of non-current assets):

Particulars	As at March 31, 2025	As at March 31, 2024
India	87.10	86.13
Asia (Excluding India)	-	-
Others	-	-
Total	**87.10**	**86.13**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The Group has revenue of more than 10% from the following customers:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
The Directorate of Food and Consumer Affairs, Jharkhand *	-	440.45
Maharashtra Building and other construction workers welfare board	1,439.65	342.79

* During the year revenue from the customer does not qualify for disclosure under Ind AS 108

Note 46 - Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic Earnings Per Share		
Profit for the year as per the Consolidated Statement of Profit and Loss	98.01	98.75
Weighted average number of shares for the purposes of basic earnings per share (in absolute numbers)	7,18,25,827	7,09,38,624
Basic Earnings Per Share (in ₹)	13.65	13.92
Diluted Earnings Per Share		
Profit for the year as per the Consolidated Statement of Profit and Loss	98.01	98.75
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (in numbers)	7,21,82,981	7,18,08,337
Diluted Earnings Per Share (in ₹)	13.58	13.75
Weighted average number of shares used as the denominator (in absolute numbers)		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	7,18,25,827	7,09,38,624
Adjustment for calculation of diluted earning per share:		
Employees stock option [Refer Note below]	3,57,154	8,69,713
Weighted average number of shares used as the denominator for calculating diluted earnings per share	7,21,82,981	7,18,08,337

Note - Information concerning the classification of securities

Options granted to employees under the Mafatlal Employee Stock Option Scheme 2017 ('ESOS 2017') are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 38.

Note 47 - Government grants

Export Promotion Capital Goods (EPCG): This scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on such capital goods. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as a Capital Grant as stated in the accounting policy on Government Grants [Refer note 2(B)(iii)].

Technology Upgradation Fund Scheme (TUFS): The Group is entitled to subsidy, on its investment in the property, plant and equipment, on fulfillment of the conditions stated in the Scheme.

Duty Drawback Scheme: Under Duty drawback scheme, the Group receives certain percentage of export proceeds as a duty drawback from custom authorities on export of products.

The Government Grants that represent unamortized amount of the subsidy referred below, with the corresponding adjustment to the carrying amount of property, plant and equipment [Refer note 3(a)].

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	0.95	1.69
Grants during the year	-	-
Released to Consolidated Statement of Profit and Loss (Refer Note 28)	(0.54)	(0.74)
Closing balance	**0.41**	**0.95**

Description	Year ended March 31, 2025	Year ended March 31, 2024
Current portion (Refer Note 24)	0.41	0.54
Non-current portion (Refer Note 20)	-	0.41
Total	**0.41**	**0.95**

Note 48(a) - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Financial assets		
Trade receivables	479.38	637.65
Deposits with banks	5.85	-
Other financial assets	9.84	-
Non-financial assets		
Inventories	97.29	79.92
Total Current assets pledged as security	**592.36**	**717.57**
Non-current		
Financial assets		
Trade receivables	0.80	1.07
Investments	82.63	184.27
Deposit with bank	0.83	0.83
Non-financial assets		
Land	0.05	0.05
Building	16.95	17.49
Plant and equipment	2.91	56.43
Investment properties	0.03	0.03
Vehicles	2.03	2.38
Total non-current assets pledged as security	**106.23**	**262.55**
Total assets pledged as security	**698.59**	**980.12**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 48(b) - Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Current borrowings (excluding current maturities of long-term debt)	(32.61)	(37.42)
Non-current borrowings	(22.54)	(27.19)
Current maturities of long term debt	(13.14)	(17.06)
Lease liabilities	(1.84)	(0.46)
Total debt	**(70.13)**	**(82.13)**
Cash and cash equivalents	51.19	182.25
Net debt	**(18.94)**	**100.12**

Particulars	Other assets	Liabilities from financing activities			Total
	Cash and cash equivalents	Non-current borrowings including current maturity and accrued interest	Current borrowings	Lease liabilities	
Net debt as at April 01, 2024	**182.25**	**(44.25)**	**(37.42)**	**(0.46)**	**100.12**
Cash flows	(131.06)	8.53	4.81	0.56	(117.16)
Interest expense	-	(3.73)	(2.05)	(0.15)	(5.93)
Interest paid	-	3.77	2.05	0.15	5.97
Non-cash movements for acquisitions and disposals	-	-	-	(1.94)	(1.94)
Net debt as at March 31, 2025	**51.19**	**(35.68)**	**(32.61)**	**(1.84)**	**(18.94)**
Net debt as at April 01, 2023	**48.85**	**(43.39)**	**(50.21)**	**(0.75)**	**(45.50)**
Cash flows	133.40	(0.85)	12.79	0.30	145.64
Interest expense	-	(3.45)	(4.44)	(0.09)	(7.98)
Interest paid	-	3.44	4.44	0.08	7.96
Net debt as at March 31, 2024	**182.25**	**(44.25)**	**(37.42)**	**(0.46)**	**100.12**

Note 49

(a) Investment in subsidiary:

On September 11, 2024 the Board of Directors of the Company approved a strategic investment of ₹ 0.60 Crores in Pieflowtech Solutions Private Limited (PSPL), a Subsidiary company representing 60% of the paid-up share capital of PSPL.

(b) The Board of Directors of the Company at its meeting held on November 14, 2022, approved the scheme of reduction and reorganization of capital ('Scheme') pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013 which was also subsequently approved by the shareholders and creditors of the Company with Appointed Date as mentioned in the Scheme as April 01, 2022. The National Company Law Tribunal, Ahmedabad ('NCLT'), vide its order dated April 29, 2024 (the 'NCLT order') had approved the Scheme with the Appointed Date / Effective Date as March 31, 2024, in respect of which the Company had filed an interlocutory application on May 06, 2024 seeking modification with a plea to reinstate the Appointed date as April 01, 2022, in accordance with the Scheme filed on October 10, 2023. Accordingly, no accounting effect was given in the financial statements for the financial year ended March 31, 2024, which was further supported by a legal opinion obtained by the Company. The aforesaid interlocutory application was heard by the NCLT on June 13, 2024, where the Company additionally filed further application seeking change in Appointed Date to March 31, 2023. The NCLT vide its order dated June 27, 2024, allowed Appointed date as March 31, 2023. Accordingly, the Company has given the accounting effect to the reserves and surplus balances during the year. (Refer Note 17)

(All amounts in ₹ Crores, unless otherwise stated)

Note 50 - Interests in other entities

(a) Subsidiaries

The Consolidated Financial Statements present the Consolidated Accounts of Mafatlal Industries Limited with its following subsidiaries:

Name of the subsidiaries	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Mafatlal Services Limited (MSL)	India	88.00%	88.00%	12.00%	12.00%
Pieflowtech Solutions Private Limited (PSPL)	India	60.00%	0.00%	40.00%	0.00%

(b) Non-controlling interest (NCI)

Set out below is summarized financial information of the non-controlling interest of the subsidiary before inter-company eliminations.

Summarized Balance Sheet	As at March 31, 2025	As at March 31, 2024
Current assets	0.30	0.15
Current liabilities	0.15	0.03
Net current assets	**0.15**	**0.12**
Non-current assets	0.76	*
Non-current liabilities	0.07	0.07
Net non-current assets	**0.69**	**(0.07)**
Net assets	**0.84**	**0.05**
Accumulated NCI	**0.33**	**0.01**

Summarized Statement of Profit and Loss	As at March 31, 2025	As at March 31, 2024
Revenue	0.84	0.36
Loss for the year	(0.21)	-
Total comprehensive loss	(0.21)	-
Loss allocated to NCI	(0.08)	-
Dividends paid to NCI	-	-

Summarized Cash Flows	As at March 31, 2025	As at March 31, 2024
Cash flows from operating activities	(0.08)	(0.01)
Cash flows from investing activities	-	*
Cash flows from financing activities	0.40	-
Net increase / (decrease) in cash and cash equivalents	**0.32**	**(0.01)**

(c) Transactions with Non-Controlling interest

Refer Note 42(1)(G)

* Amount is below the rounding off norm adopted by the Group.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Note 51 - Additional information required by Schedule III

Particulars	March 31, 2025		March 31, 2024	
	As a % of Consolidated	Amount	As a % of Consolidated	Amount
Parent				
Mafatlal Industries Limited				
Net Assets i.e Total assets minus total liabilities	100.00%	741.36	99.99%	814.34
Share in profit	100.21%	98.14	100.00%	98.75
Share in other comprehensive income	100.00%	(167.60)	100.00%	97.47
Share in total comprehensive (loss) / income	99.70%	(69.46)	100.00%	196.22
Subsidiaries				
Mafatlal Services Limited and Pieflowtech Solutions Private Limited (w.e.f. October 18, 2024)				
Net Assets i.e Total assets minus total liabilities	0.00%	0.03	0.01%	0.05
Share in loss	(0.21%)	(0.21)	-	-
Share in other comprehensive income	-	-	-	-
Share in total comprehensive loss	0.30%	(0.21)	-	-

Note 52

(i) As legally advised, the Group has not recognized as income recovery of rent and other charges of ₹ 0.84 upto March 31, 2025 (₹ 0.84 upto March 31, 2024) pending final resolution of legal dispute with certain ex-tenants of a property in South Mumbai. At present, the legal dispute is pending with the Hon'ble Bombay High Court. A sum of ₹ 5.78 and ₹ 2.84 was (towards interest accured) withdrawn by the Group in accordance with the Orders passed by the Hon'ble High Court of Bombay on the Civil Revision Applications filed by the ex-tenants and the said amount of ₹ 5.78 and ₹ 2.84 has been included in other non-current financial liabilities (Refer Note 19).

(ii) In an earlier year, the Group had sold part of its leasehold land at its Mazgaon unit. During prior years, the Group has surrendered the remaining leasehold land (reserved portion admeasuring about 27,287.82 square meters) to Municipal Corporation of Greater Mumbai for the purpose of extension of V.J.B. Udyan. The Group is also required to recommence the spinning unit which can accommodate 10,000 spindles. By virtue of the agreement, the developer will construct a structure and hand it over to the Group.

(iii) Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Company are to be issued one equity share of ₹10/- each (before giving effect of sub-division), fully paid-up, in SSL for every 500 shares of ₹ 100/- each, fully paid-up, held in the Company as consideration for the demerger, aggregating to ₹ 0.01. As the shareholders of the Company would be entitled to receive only fractional shares of SSL, the rehabilitation scheme sanctioned by BIFR envisages that these shares would be acquired by Navin Fluorine International Limited (NFIL) and the shareholders of the Company would receive proportionate payment in consideration thereof. The Company has received the said amount of ₹ 0.01 from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities.

(All amounts in ₹ Crores, unless otherwise stated)

Note 53

The consolidated financial statements of the Group - Mafatlal Industries Limited have been prepared in accordance with Indian Accounting Standard (Ind AS) - 110 on 'Consolidated Financial Statements'. The details of entities other than Holding Company are as under:

Name of the entity	% Holding of the Group	
	As at March 31, 2025	As at March 31, 2024
Mafatlal Services Limited (subsidiary incorporated in India)	88.00%	88.00%
Ibiza Industries Limited [Refer Note (a) below]	54.89%	54.89%
Sunanda Industries Limited [Refer Note (a) below]	94.00%	94.00%
Al Fahim Mafatlal Textile LLC-UAE [Refer Note (b) below]	49.00%	49.00%
Mafatlal Engineering Industries Limited [Refer Note (c) below]	22.18%	22.18%
Pieflowtech Solutions Private Limited (subsidiary incorporated in India) (w.e.f. October 18, 2024)	60.00%	-

(a) Consequent to Ibiza Industries Limited (IIL) and Sunanda Industries Limited (SIL) which have gone under liquidation in the earlier years, the Group effectively has no control over IIL and SIL. The liquidation is being carried out by court appointed liquidator. In absence of power over the relevant activities and variable returns, the Group effectively has no control over above entities. Hence, in accordance with the requirements of Ind AS -110 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI) and specified under Section 133 of the Companies Act, 2013, the same have not been consolidated.

(b) In case of Al Fahim Mafatlal Textile LLC - UAE - the joint venture, it is in the process of liquidation and hence the Group does not have joint control over the entity. Accordingly, the unaudited financial statements have not been considered for consolidation.

(c) The Mafatlal Engineering Industries Limited is in the process of liquidation and the Group ceases to have any significant influence over the entity and accordingly, it has not been considered for consolidation.

Note 54 - Details of research and development

Details of research and development expenditure recognized as expense:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee benefits expense	0.95	0.89
Consumables	0.08	0.03
Repairs and Maintenance	0.06	0.02
Total	**1.09**	**0.94**

Note 55 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with approved scheme(s) of arrangements

Refer Note 49(b)

(v) Valuation of Property, plant and equipment, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(vi) Utilization of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilization of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

(x) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

(xi) Borrowing secured against current assets

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks and financial institutions are in agreement with the books of accounts.

(All amounts in ₹ Crores, unless otherwise stated)

Note 55(a) - Events occuring after reporting period

Refer Note 17(a) for the final dividend recommended by the Board of Directors which is subject to the approval of shareholders in the ensuing annual general meeting.

Note 56 - The consolidated Financial Statements were authorized for issue by the Board of Directors on May 13, 2025.

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP Firm Registration No. 012754N / N500016	**For and on behalf of the Board of Directors**			
Pankaj Khandelia Partner Membership Number: 102022	**H. A. Mafatlal** Chairman (DIN: 00009872)	**P. H. Mafatlal** Managing Director (DIN: 02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary (Membership No. : ACS20622)
Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025	Place: Mumbai Date: May 13, 2025

FORM AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of the subsidiary and joint venture.

Part "A" Subsidiaries

(All amounts in ₹ Crores, unless otherwise stated)

Sr. No	Particulars	Mafatlal Services Limited	Pieflowtech Solutions Private Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**April 1, 2024 to March 31, 2025**	**October 18, 2024 (date of Incorporation) to March 31, 2025**
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the each of foreign subsidiaries	NA	NA
3.	Share capital	3.10	1.00
4.	Other equity	(3.05)	(0.21)
5.	Total assets	0.16	0.90
6.	Total liabilities	0.11	0.11
7.	Investments	-	-
8.	Turnover	0.39	0.45
9.	Profit before taxation	-	(0.21)
10.	Provision for taxation	-	-
11.	Profit after taxation	-	(0.21)
12.	Proposed dividend	-	-
13.	% of shareholding	88%	60%

1. Names of subsidiaries which are yet to commence operations: **None**.
2. Names of subsidiaries which have been liquidated or sold during the year: **None.**

Part 'B' Associates and Joint Ventures – Not applicable.

Instructions to the Shareholders for E-Voting, Attending AGM through Video Conferencing, Registering as Speaker etc.

This is to inform you that **111th Annual General Meeting ('AGM')** is scheduled to be held on **Monday, August 4, 2025, at 3:30 p.m. (IST)** through video conferencing ('VC')/other audio-visual means ('OAVM').

The Annual Report for 2024-25 along with Notice of the AGM is available and can be downloaded from the Company's website https://www.mafatlals.com/ under 'Investors' section and on the website of Kfin Technologies Limited ('KFintech') the Registrar and Share Transfer Agents (RTA) of the Company https://evoting.kfintech.com/.

Please note that the Ministry of Corporate Affairs (MCA) and SEBI have vide its various Circulars permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. Accordingly, in compliance with the applicable Circulars issued by MCA & SEBI and the relevant provisions of the Companies Act, 2013 (the Act) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the AGM of the Company is being held through VC/OAVM.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system (remote e-voting) provided by KFintech and digital voting during the AGM to those members who have not voted through remote e-voting.

The e-voting period commences on **Friday, August 1, 2025 (9:00 a.m. IST) and ends on Sunday, August 3, 2025 (5:00 p.m. IST).**

During this period, Members holding shares either in physical form or in dematerialized form as on **Friday, July 25, 2025, i.e. cut-off date**, may cast their votes electronically. The e-voting module shall be disabled by KFintech for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The voting rights of Members shall be in proportion to the equity shares held by them in the paid-up equity share capital of the Company as on **Friday, July 25, 2025 (cut-off date)**. Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote electronically on all the resolutions set forth in the Notice of AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, E-VOTING, AND ATTENDANCE AT AGM:

1. e-AGM: The Company has appointed KFintech to provide VC/OAVM facility for the AGM and the attendant enablers for conducting of the e-AGM.
2. Pursuant to the provisions of the circulars of MCA on the VC/OVAM(e-AGM):
    a. Members can attend the meeting through login credentials provided to them to connect to VC/OAVM. Physical attendance of the Members at the Meeting venue is not required.
    b. Option of appointment of proxy to attend and cast vote on behalf of the member is not available.
    c. Body Corporates are entitled to appoint authorized representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
    3. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
    4. To start with 1000 members will be able to join on a FIFO basis to the e-AGM.
    5. No restrictions on account of FIFO entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding). Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
    6. The attendance of the Members (members logins) attending the e-AGM will be counted

Instructions to the Shareholders for E-Voting (Contd.)

for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Members are requested to register their e-mail IDs with KFintech if shares are held by them in physical form or with their respective DPs if shares are held by them in demat form. Those Members who have not registered their e-mail IDs may send an e-mail request to einward.ris@kfintech.com along with the following documents for obtaining the Annual Report, Notice of AGM with e-voting instructions and login credentials (a) In case shares are held in physical mode, please provide folio no., name, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of any address proof. (b) In case shares are held in demat mode, please provide DPID-Client ID (8-digit DPID + 8 digit client ID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, self-attested scanned copy of any address proof, (c) After due verification, KFintech will forward login credentials to Member's registered e-mail ID; (d) After this, Member may follow the remote e-voting instructions given in this Notice.

INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE E-AGM THROUGH VC/OAVM:

1. Attending e-AGM: Member will be provided with a facility to attend the e-AGM through VC/OAVM platform being provided by KFintech. Members may access the same at https://emeetings.kfintech.com and click on the 'video conference' and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the Company can be selected.

2. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

3. Members are encouraged to Join the Meeting through Laptops with Google Chrome for better experience.

4. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.

5. Please note that participants connecting via Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into https://emeetings.kfintech.com and click on 'Post your questions" may post their queries/ views/ questions in the window provided by mentioning the name, demat account number/folio number, e-mail id, mobile number. Please note that, members questions will be answered only, the shareholder continue to hold the shares as of cut-off date benpos.

7. Due to limitations of transmission and coordination during the Q&A session, the Chairman may dispense with the speaker registration during the e-AGM conference.

8. **Speaker Registration during e-AGM session:** In case of decision to allow the Q&A session in the meeting, members may log into https://emeetings.kfintech.com and click on Speaker Registration, by mentioning the demat account number/folio number, city, e-mail id, mobile number and submit. Members who wish to be a Speaker or would like to express their views or ask Questions during the AGM may register themselves as a 'speaker', by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at agm.speaker@mafatlals.com from **Wednesday, July 30, 2025 (9:00 a.m. IST) and ends on Friday, August 1, 2025 (5:00 p.m. IST)**.

   Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Members are requested to e-mail their questions in advance concerning the financial statements or any other matters till **5.00 p.m. (IST), on Tuesday, July 29, 2025 e-mail at agm.speaker@mafatlals.com**

REMOTE VOTING THROUGH ELECTRONIC MEANS

In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **Friday, July 25, 2025 (end of day),** being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFintech or to vote at the e-AGM. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The details of the process and manner for remote e-voting are given below:

i. Initial password is provided in the body of the e-mail.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the details appropriately, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$ etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. **Mafatlal Industries Limited.**

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR/AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. All Members including Institutional Investors, are encouraged to attend and vote at the AGM. Corporate/ institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/ are authorized to vote to the Scrutinizer through e-mail at umesh@umeshvedcs.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'MAFA_EVENT No.'

xii. Members can cast their vote online from **Friday, August 1, 2025 (9.00 a.m. IST) till Sunday, August 3, 2025 (5.00 p.m. IST).** Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

Instructions to the Shareholders for E-Voting (Contd.)

xiii. In case of any 'queries/grievances' you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the Download section of https://evoting.kfintech.com or call KFintech on 1800 309 4001 (toll free).

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts to access e-Voting facility.

Individual Members (holding securities in demat mode) login through Depository.

Login method for Individual members holding securities in demat mode is given below:

NSDL	CDSL
1. Users already registered for IDeAS facility: URL: https://eservices.nsdl.com. Click on the 'Beneficial Owner' icon under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on 'Access to e-Voting.' Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	**1. Existing users who have opted for Easi/Easiest** URL: www.cdslindia.com Click on New System Myeasi Login with user id and password. Option will be made available to reach e-Voting page without any further authentication. Click on e-Voting service provider name to cast your vote.
2. User not registered for IDeAS e-Services To register click on link : https://eservices.nsdl.com Select "Register Online for IDeAS". Proceed with completing the required fields. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	**2. User not registered for Easi/Easiest** If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Proceed with completing the required fields. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
3. By visiting the e-Voting website of NSDL URL: https://www.evoting.nsdl.com/ Click on the icon 'Login' which is available under 'Shareholder/ Member' section. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**3. By visiting the e-Voting website of CDSL URL:** www.cdslindia.com. Provide demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

Shareholders/Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store   Google Play

Individual Members (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see the e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue – NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

Login method for non-individual Members and Members holding shares in physical form are given below:

Procedure and Instructions for remote e-voting are as under:

Initial password is provided in the body of the e-mail.

Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with RTA for e-voting, you can use your existing User ID and password for casting your votes.

User ID: For Members holding shares in Demat Form:

For NSDL: 8-character DP ID followed by 8 digits Client ID. For CDSL: 16 digits beneficiary ID.

User ID: For members holding shares in Physical Form:

Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reason.

xiv. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of **Friday, July 25, 2025**. Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **Friday, July 4, 2025**, may obtain the User ID and Password in the manner as mentioned below:

(a) If the mobile number of the Member is registered against Folio No./DP ID and Client ID, the Member may send SMS: MYEPWD E-Voting Event Number + Folio No. or DP ID and Client ID to No. 9212993399 Example for NSDL: MYEPWD IN12345612345678 Example for CDSL: MYEPWD 1402345612345678 Example for Physical: MYEPWD XXXX1234567890

(b) If e-mail address or mobile number of the Member is registered against Folio No./DP

Instructions to the Shareholders for E-Voting (Contd.)

ID and Client ID, then on the home page of https://evoting.kfintech.com , Member may click 'Forgot Password' and enter Folio No. or DP ID and Client ID and PAN to generate a new password.

(c) You may also send an e-mail request to einward.ris@kfintech.com.

xv. Members who have not registered their e-mail address and to whom, consequently the Annual Report, Notice of AGM and e-voting instructions cannot be sent. Members are requested to follow the process as guided to capture the e-mail address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com

Instructions for members for e-Voting during the e-AGM session:

1. The e-Voting 'Thumb sign' on the left-hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the 'Instapoll' page.
2. Members to click on the 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.
3. Only those shareholders, who are present in the e-AGM and have not caste their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so shall be eligible to vote through e-Voting system available during the e-AGM.

ASSISTANCE FOR AGM RELATED MATTERS:

Members who need assistance before or during the AGM, can connect KFintech team Ms. Janhavi Joshi (Deputy Manager) at e-mail: Janhavi.joshi@kfintech.com Tele. No.040 6716 1769 OR Mr. Pedapalli Kanaka Sai Manikanta (Executive) at e-mail: saimanikanta.pedapalli@kfintech.com Tele. No. 040 67161769 OR the Company's officials Mr. Harsh Patel, Manager/ Mr. Dinesh Patni, Asst. Manager at 079-2644 4404-06 or may e-mail query at ahmedabad@mafatlals.com.

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The ethics of excellence

SINCE 1905

Mafatlal®

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