



MAFATLAL INDUSTRIES LIMITED

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Tel. 91 022 6617 3636, Fax : 91 022 6635 7633
CIN : L17110GJ1913PLC000035 Website : www.mafatlals.com

July 8, 2024

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

BSE Code: 500264

Dear Sir,

Sub: 110th Annual Report together with the Notice of the Annual General Meeting (AGM) for the Financial Year 2023-24.

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 2023-24 along with the Notice of 110th Annual General Meeting (AGM).

The 110th Annual General Meeting (AGM) of the Company will be held on **Friday, August 2, 2024, 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 Shah
Company Secretary
Encl.: as above



ARVIND MAFATLAL GROUP
The ethics of excellence

Driving Momentum, Broadening Horizons

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Please visit our Investor Relations Section at:
<https://www.mafatlals.com/investors/>

Or Scan the following QR Code:



INVESTOR INFORMATION

Market Capitalization as at March 31, 2024:

₹ 810.5 Crores

CIN:

L17110GJ1913PLC000035

BSE Code:

500264

ISIN:

INE270B01035

AGM Day Date and Time:

Friday, August 2, 2024 at 3:30 p.m. (IST)

AGM Mode:

Through Video Conferencing (VC)/Other Audio Visual Means (OAVM)

Commencement of Remote E-voting:

Tuesday, July 30, 2024 at 9:00 a.m. (IST)

End of Remote E-voting:

Thursday, August 1, 2024 at 5:00 p.m. (IST)

Book Closure:

Saturday, July 27, 2024 to Friday, August 2, 2024

Cut-off Date:

Friday, July 26, 2024



Driving Momentum, Broadening Horizons

Broadening horizons is crucial for the Businesses to drive the momentum today. Diversification reduces the risk of market saturation and economic downturns, ensuring long-term viability. Venturing into new areas helps businesses to stay competitive and relevant amid changing consumer preferences and technological advancements. It opens new revenue streams and drives growth, while fostering a culture of adaptability and continuous improvement. By expanding their focus, companies can maintain industry leadership, respond effectively to global challenges, and create lasting value for stakeholders.

Mafatlal Industries Limited ('MIL', The Company) has also charted its own course following the theme of Driving Momentum by Broadening Horizons. Since our establishment in 1905, we have navigated change and adapted to the changing business landscape to emerge as a brand known for trust and quality.

Despite the storied history, we are just getting started. The Company possesses the agility of startups which enables it to remain agile and innovative.

In recent years, we have undertaken strategic initiatives for business transformation. Key among these is the adoption of an asset-light outsourcing model, gradual expansion, and diversification beyond textiles into recession-resistant sectors like education and healthcare. This has been possible through the government institutional business and strategic resilience. In addition, our focus on customer centricity ensures that it consistently meets and exceeds customer expectations.

Leveraging on the solid foundation and forward-thinking strategy, we aim to make a significant impact on India's industrial and social landscape.



Key Highlights for 2023-24

₹ 2,142.2 Crores

Revenue

1905

Year of Foundation

₹ 98.8 Crores

PAT

1913

Year of Incorporation

₹ 109.4 Crores

EBITDA

1,216

No. of Employees

32.5%

ROCE

Setting Standards of Excellence

- > ISO 14001:2015
- > ISO 9001:2015
- > ZDHC
- > HIGG
- > SEDEX
- > BIS Certificate License
- > CDSO (Healthcare Certification)
- > OEKOTEX Certificate

From the MD's Desk

We have infused our
business with the agility
and innovation reminiscent
of a startup.



Priyavrata H. Mafatlal

Managing Director



Dear Shareholders,

With great pleasure and pride, I present to you our Company's annual report for 2023-24. As we reflect on the past year's achievements, challenges, and milestones, I am excited to share our progress and future direction.

Our theme for the year, 'Driving Momentum, Broadening Horizons,' encapsulates the transformative journey we have embarked upon in the last couple of years. Embracing this ethos, we have infused our business with the agility and innovation reminiscent of a startup. Our brand trust and reputation, along with our commitment to my grand father, Mr. Arvind Mafatlal's dynamic vision, have been key in driving our journey forward.

At MIL, we have continually implemented transformative initiatives to drive growth and resilience. Some of these include adopting an asset-light model, recalibrating management, right-sizing the workforce, and diversifying the product portfolio. These measures align with our commitment to progress alongside the Indian economy, catering to the rising personal spending power, and adapting to evolving customer preferences. Our dedication to quality, trust, and affordability ensures that we create value in the lives and households we touch.

Strategic diversification by capitalizing the well-established supply chain network into sectors like education and healthcare provides our Company cushion against economic downturns along with steady growth.

Transitioning to government institutional business has allowed us to expand beyond textiles. Additionally, shifting from an asset-heavy to an asset-light model has streamlined operations, enhanced efficiency and productivity.

By leveraging our solid foundation and forward-thinking strategy, our Company is well-positioned to navigate future challenges, seize emerging opportunities, and continue making a significant impact on India's industrial and social landscape. Our customer focused approach and

resilience help us meet and exceed expectations, building trust and creating lasting value for every household we reach.

Macroeconomy

The global economy has shown resilience amidst challenges such as post-pandemic supply-chain disruptions and global crises like the conflict in Ukraine amongst others, maintaining steady growth as inflation returns to target and monetary policies adjust accordingly.

The global GDP growth is projected to remain stable at 3.1% in 2024, with a slight increase to 3.2% in 2025. In contrast, the Indian economy continues its robust growth trajectory, buoyed by resilient domestic demand and proactive government policies. The economy is poised to achieve a healthy GDP growth rate of 8.2% in 2023-24, surpassing the 7% growth rate recorded in 2022-23.

₹ 2,142.2
Revenue Crores

Industry Overview

With a heritage spanning centuries, the Indian textile manufacturing industry plays a vital role in the nation's economy. It contributes to approximately 2.3% of the nation's GDP, enhancing industrial production by 13%, and constituting 12% of total export earnings. Over the past decade, India's textile industry has witnessed a remarkable growth, propelled by various factors, including proactive government policies.

State governments across India engage in procurement activities to support various social welfare programs. This includes providing clothing, hygiene products, educational supplies, consumer goods, and more.



At MIL, we uphold our values of quality, trust, and affordability, which have been pivotal in driving growth, especially within the government institutional business. This sector provides a reliable foundation for sustainable growth, characterized by market predictability and diverse product opportunities. Although predominantly recognized as a leader in the textile segment, our Company has consistently pursued diversification into sectors such as healthcare, digital infrastructure, and consumer durables.

Our operational strength lies in our execution capabilities and long-standing customer partnerships. Throughout 2023-24, we established an extensive supply chain network across India, facilitating our exploration of new areas, including the consumer durables segment. This product-agnostic approach not only offers pathways for growth but also creates substantial value for all our stakeholders.

Financial Overview

Our strategic rejig has translated into financial turnaround, positioning us stronger for future success. Our revenue grew by 51.3% in 2023-24, increasing from ₹1,415.62 Crores in 2022-23 to ₹2,142.2 Crores. This sustained growth trajectory is an outcome of the successful execution of large tenders with various state governments. Our profit after tax (PAT) increased to ₹98.8 Crores in 2023-24 from ₹37.5 Crores in 2022-23. The successful implementation of an asset-light model has helped us streamline processes, optimize resource allocation, and reduce debt by monetizing non-core assets. Moreover, the recalibration of management has instilled a culture of innovation and adaptability, empowering our team to navigate market challenges with resilience and creativity.

Sustainability

Sustainability has emerged as a central focus within the textile industry, with a notable shift towards eco-friendly materials, recycling practices, use of biofuel and initiatives aimed at reducing water and energy consumption. Circular economy strategies, alongside the adoption of organic and recycled fibers, have gained significant traction. This can be attributed to consumer demands for transparency and ethical sourcing across the entire supply chain. Through Eco-Knits, we have launched a new brand of eco-friendly, comfortable, and durable school uniforms.

People

We are firm believers in the power of human connections in driving business success. This ethos permeates every

At MIL, we uphold our values of quality, trust, and affordability, which have been pivotal in driving growth, especially within the government institutional business.



aspect of our organization, from employee relations to interactions with partners and clients. Our people-focused approach has been crucial to our century-long success. We aim to create value for all stakeholders while fostering a supportive work environment. Our low attrition rate, decreasing average employee age, and employee-friendly policies reflect our unwavering commitment to fostering enduring relationships with our workforce, their families, and industry partners.

Future Prospects

With renewed energy, we are now focusing on creating a strong blueprint going forward. This blueprint will serve

as a proactive roadmap for achieving high growth, offering forward-thinking solutions. Our strategies align with our vision for growth and agility and as we move forward with an open mindset, we will continue to explore opportunities across various product categories. Throughout our journey, we maintain a positive outlook, confident that our transformation initiatives are poised to enhance productivity and efficiency across all aspects of our business operations, thereby yielding favourable results for our shareholders.

Concluding Note

As we embark on this journey of growth and innovation, we carry forward the spirit

of resilience, agility, and commitment that defines us at MIL. With our renewed focus on responsible growth and proactive planning, we are poised to navigate the challenges ahead and capitalize on the opportunities that lie before us. Together, let us continue to uphold our values, foster meaningful relationships, and strive towards a future where our Company thrives and creates a positive impact in our communities and beyond.

Regards,

Priyavrata H. Mafatlal
Managing Director

Driving Momentum and Expansion

Established over a century ago, Mafatlal Industries, a part of the Arvind Mafatlal Group, has established a distinguished reputation as a trusted leader in the textile industry. Since its inception in 1905, the Company has seamlessly blended tradition with technology, adeptly navigating the ever-evolving market landscape.

Going beyond traditional textiles, the Company diversified its portfolio by entering new sectors like health and hygiene, digital infrastructure, and consumer durables. Under the leadership of our Chairman, Mr. Hrishikesh Mafatlal and Managing Director Mr. Priyavrata Mafatlal, the Company is pursuing dynamic initiatives to stay ahead in the market and fuel its growth. The Company's diverse product portfolio includes core textiles and technical textiles like health and hygiene products. Apart from this, the addition of non-textile items such as digital education and consumer durables shows the Company's commitment to expanding and transforming its business model for sustainable growth and competitiveness. This strategic approach not only strengthens MIL's market position, but also enhances its resilience in the face of evolving consumer demands and market dynamics.

Setting the Stage for Sustainable Growth by





Product Offerings

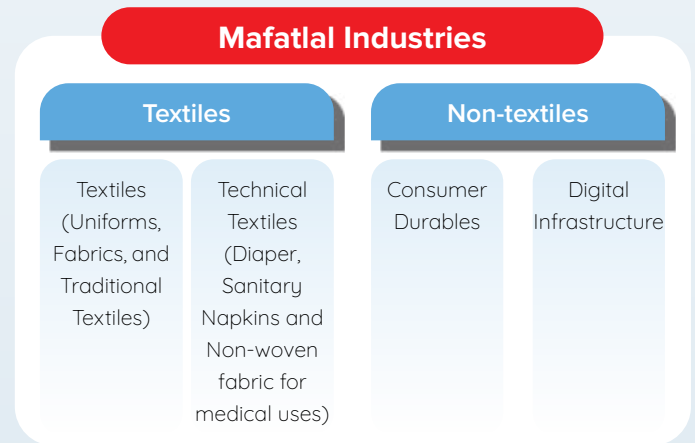
MIL continues to evolve from a traditional textile entity to a diversified enterprise across various product categories. This signifies a pivotal shift in the organization’s growth trajectory. The transition not only reflects the Company’s commitment to staying relevant but also allows us to explore new avenues for growth and expansion.

The Company has succeeded in developing distinctive outsourcing led business model by allocating resources more efficiently, focus on its core competencies, and leverage on its long-standing history. A notable outcome of this strategy is the development of a unique business model tailored for government institutional business (B2G). This strategic pivot has allowed the Company to transcend specific product categories to become more product agnostic and broaden its market reach.

Fulfilling Government Supply Needs Across India

The Company’s supply chain touchpoints extend far and wide, particularly, through its government institutional business. MIL takes pride in fulfilling diverse requirements ranging from textiles, school supplies, and sanitary napkins to consumer durables for several states across India. The Company has a prominent presence in states like Odisha, Maharashtra, Andhra Pradesh, Madhya Pradesh, Jharkhand, Rajasthan, and Telangana. In these states, it caters to the specific needs of students, workers, and menstruating women and girls. The Company is committed to offering reliable and efficient solutions as per the demands of various governments for their social initiatives and welfare programs. The Company’s extensive reach and robust supply chain network enable it to effectively serve these regions, contributing to their socio-economic development and well-being.

As of 2023-24, the Company has more than 1,000 dealers for traditional textile fabrics across 25 states in India.



Robust Distribution Network

25 States

Dealer network for readymade or uniform fabric

Pan-India Presence

Through dealer network for textile and non-textile products

~1,000

Number of dealers for traditional textile fabrics

24,000+

Retailers/sales touch points

Propelling Progress and Enriching Our Potential

MIL's commitment to growth is evidenced by its proactive adoption of transformative initiatives across its business operations. Strategic restructuring and innovation have revitalized the Company's financial performance. By fostering a culture of continuous improvement and adaptability, the Company remains poised to navigate future challenges and capitalize on emerging opportunities. This will ensure long-term success and value creation for all stakeholders.



Reshaping Leadership for Transformation

- Strategically restructured leadership to chart a transformative course towards success
- Established a diverse Board with an emphasis on responsible governance practices, ensuring transparency and ethical standards
- Implemented a flat and lean organizational structure to enhance speed and nimbleness in management processes, fostering agility and efficiency



Navigating Growth Through Outsourcing Efficiency

- Strategically embraced an outsource-led asset-light model to enhance growth prospects in a capital-intensive textile industry characterized by high operating leverage
- Aligned offerings to meet the demands arising from government and institutional segments with a focus on strengthening the outsourcing-led product portfolio



Advancing Horizons through Strategic Diversification

- Diversified product portfolio by entering new sectors such as health and hygiene, digital infrastructure, and consumer durables
- Undertook strategic initiatives to optimize resource utilization, capitalizing on the vast supply chain network, and aligning with the broader growth vision, ensuring efficient allocation and management



Fostering a Resilient Workforce Culture

- Focused on developing a people-centric approach, which is the cornerstone of the Company's achievements, by placing the workforce at the heart of its success
- Dedicated to the workforce and cultivating enduring relationships evident through a low attrition rate, decreasing average employee age, and supportive policies
- Committed to cost efficiency and operational effectiveness through right-sizing measures in the permanent labor strength at manufacturing operations

Broadening Horizons from being Product-Specific to Product-Agnostic

A key aspect of this diversification strategy is the focus on sectors with inherent stability and growth potential. The Company has strategically positioned itself in recession-proof sectors like education and healthcare, where government spending remains strong. By concentrating on these sectors and focusing on diversifying its business portfolio, the Company not only ensures a steady demand for its products and services but also mitigates the impact of economic downturns.

Furthermore, the B2G business model offers a level of predictability and stability with very low credit risk. Government tendering processes typically follow a structured and regulated framework, providing a degree of certainty in terms of business opportunities and revenue generation.





Textiles and Fabrics

The Company holds a leading position in the uniform segment, offering a wide range of fabric and ready-made uniforms tailored for schools, institutions, and corporates. The Company's expertise spans outsourcing, branding, and distribution, making it a trusted contender in government tenders. Moreover, MIL has introduced two new sustainable uniform brands: Eco Knits and Mafatlal

Greens. These address the growing global emphasis on sustainability within the textile industry.

In the woven white fabric sector, encompassing whites and Rubia, our Company caters to semi-urban and rural areas, solidifying its presence as a recognized player. Additionally, the Company's robust presence in the

polyester-cotton segment caters to the demands of rural and tier III/II population clusters.

As a significant voile exporter to the Middle Eastern market, the Company has established itself as a key player on the global stage. Prints remain a core competency in the domestic B2B market, further cementing its dominant position in the industry.





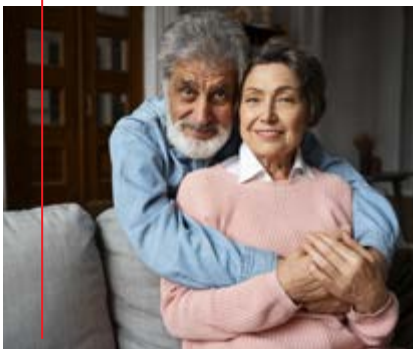
Technical Textiles: Health and Hygiene Products

The state governments are showing strong commitment to improving hygiene practices across diverse demographics. By providing access to essential hygiene products, the government seeks to enhance the quality of life, reduce the incidence of hygiene-related illnesses, and promote overall well-being. MIL is well positioned through its portfolio of products like, sanitary napkins, baby diapers, adult diapers aid governments initiatives to address critical health and

hygiene needs, particularly among vulnerable populations such as infants, the elderly, and menstruating women.

The Company's diverse portfolio encompasses a comprehensive range of hygiene products designed to meet

the varied needs of consumers across different age groups. Operating under a unified brand umbrella, the Company's strategic focus is on delivering affordable and superior-quality hygiene solutions to our customers.



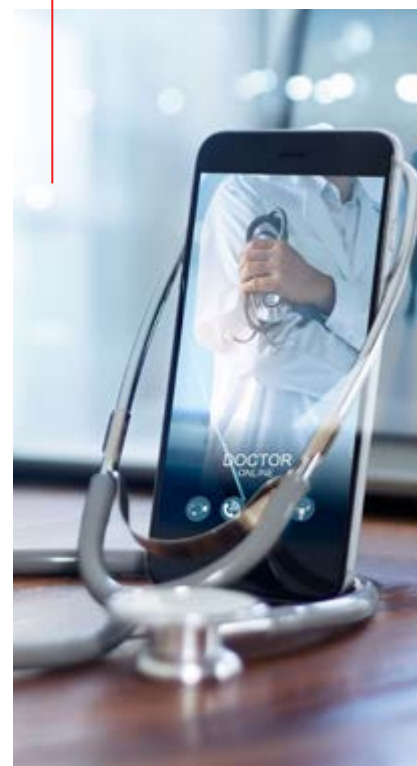


Non-Textiles: Digital Infrastructure and Consumer Durables

As part of the government’s vision to bring reforms in education through the NEP, there is a growing emphasis on leveraging digital tools and platforms to enhance learning, bridge educational gaps, and make education more engaging and inclusive. The tremendous growth of the Edtech sector underscores the significance of digital solutions in improving the quality of education. By expanding into the digital infrastructure domain, the Company is contributing to the transformation of education, catering to the evolving needs of students, educators, and educational institutions in the digital age. The Company’s esteemed clientele includes the education departments of Himachal Pradesh, and Odisha, highlighting the trust placed in digital solutions.

Leveraging its decades of experience, the Company has emerged as an aggregator for state governments, enabling its entry into the consumer durables sector. This

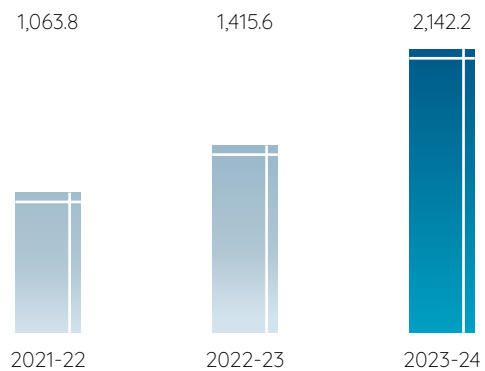
move, aimed at identifying optimal adjacencies for customer-driven growth, aligns with the overall business strategy.



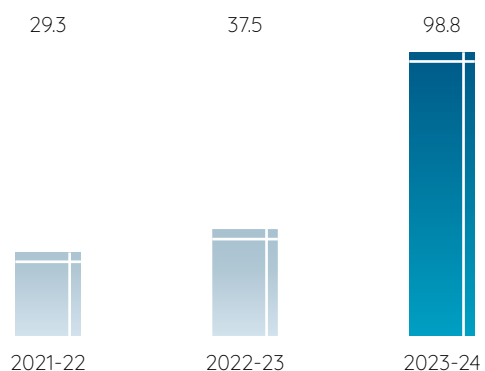
Fiscal Highlights and Strategic Endeavors Driving Momentum

Mafatlal has demonstrated remarkable financial performance, marked by consistent revenue growth and robust profitability. This success is underpinned by strategic diversification efforts and operational efficiencies. By adopting an asset-light model and streamlining manufacturing processes, the Company has significantly improved its cost structure and resource allocation. Additionally, its prudent financial management, combined with distinctive business model focused on government institutional business, has further strengthened the Company's market position and ensured sustained financial health.

Total Income (₹ Crores)

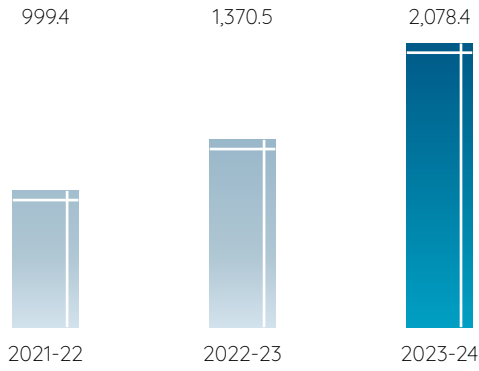


PAT (₹ Crores)

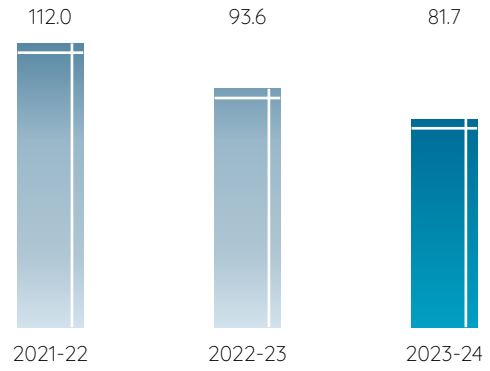




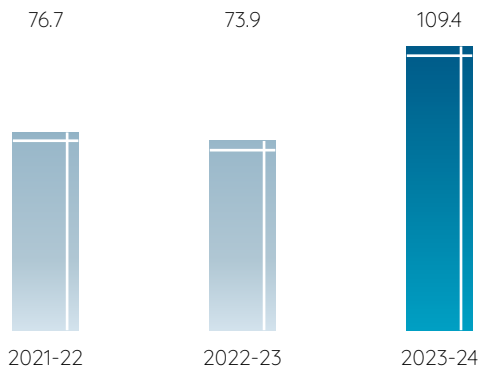
Revenue from Operations (₹ Crores)



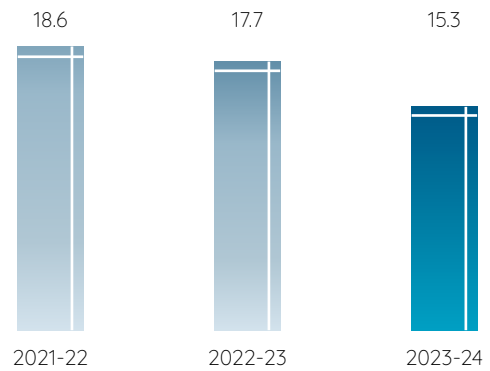
Total Debt (₹ Crores)



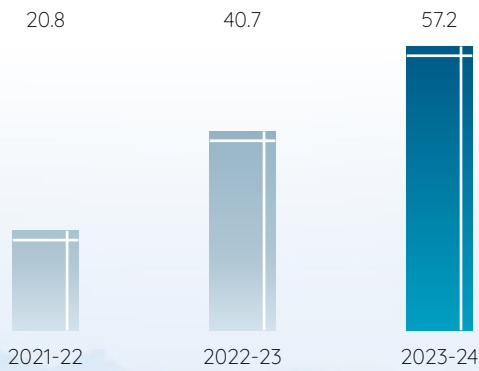
EBITDA (₹ Crores)



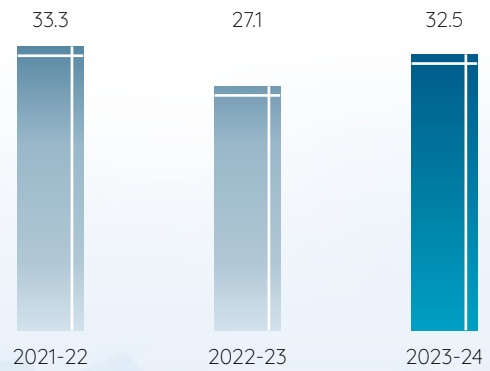
Interest Cost (₹ Crores)



Operating EBITDA (₹ Crores)



Return on Capital Employed (ROCE)* (%)



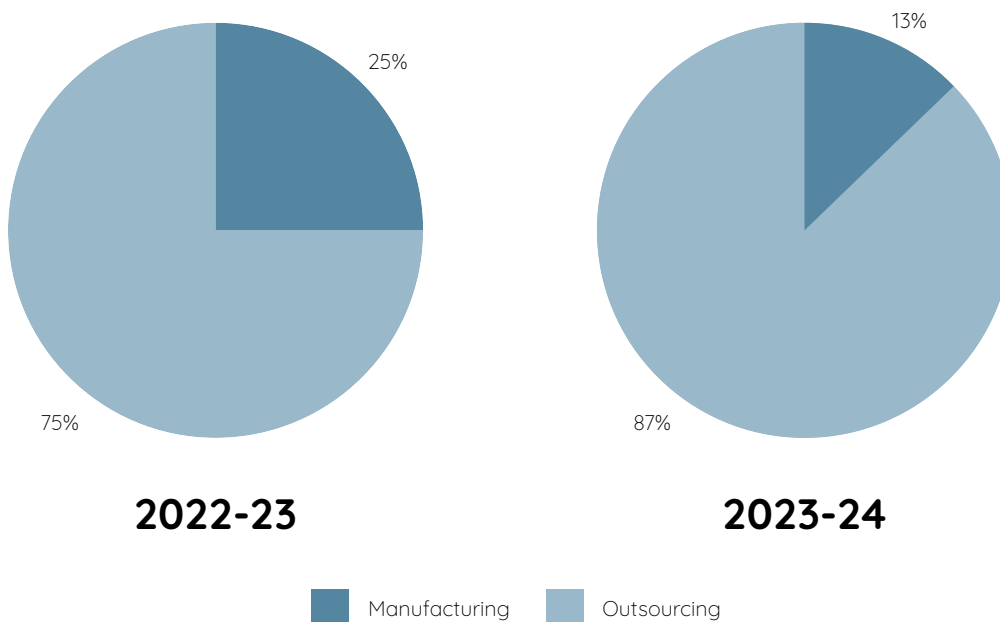
*excluding dividend income and investment of NOCIL and after exceptional item
EBITDA excludes exceptional item.

In 2023-24, Mafatlal recorded its highest revenue to date, along with the highest PAT in the past decade. This achievement was complemented by a significant improvement in operating EBITDA. The turnaround, combined with enhanced return ratios, positions us well to capitalize on various opportunities.

The Company achieved cost rationalization through substantial debt reduction and interest cost optimization. This also involved selling properties classified as non-core assets and aggressively streamlining the workforce through Voluntary Retirement Scheme (VRS). Additionally, the Company leveraged its non-core assets and investment portfolio to secure working capital facilities at competitive ROIs.



Revenue Mix



Segmental Revenue Breakup

Segment	Segment Revenue (₹ Crores)		Segment Result (₹ Crores)	
	2023-24	2022-23	2023-24	2022-23
Textile and Related Products	1,556.1	1,325.4	45.8	42.4
Digital Infrastructure	130.1	45.1	12.9	4.4
Consumer Durables and Others	392.2	-	5.1	-
Total	2,078.4	1,370.5	63.9	46.8



Stepping into the Spotlight with Brand Strategies

At Mafatlal, commitment to excellence extends beyond product creation to encompass proactive engagement with industry events and initiatives. Through strategic participation in prestigious events, the Company showcases its dedication to innovation, quality, and industry leadership. Mafatlal's initiatives are making a significant impact on the country by promoting sustainable practices, supporting local communities, and driving economic growth.



Participation in AAHAR 2024 for Hospitality Uniforms

In March 2024, Mafatlal made a notable debut in the hospitality sector by participating in AAHAR 2024, the International Food and Hospitality Fair held at Pragati Maidan. This prestigious event provided the perfect platform for Mafatlal to unveil its latest line of hospitality uniforms, tailored to meet the unique needs and demands of the industry by demonstrating its readiness to serving the evolving needs of the hospitality sector and solidified its position as a trusted provider of premium-quality uniforms.



Bharat Tex 2024

Mafatlal participated in the BharatTex Expo, the largest global textiles fair in India. Held as the largest gathering of textile professionals and enthusiasts in the country, this prestigious event provided Mafatlal with a golden opportunity to cultivate new relationships, gain invaluable insights into emerging industry trends, and strengthen expansion efforts.



Empowering Wellness

In 2023, Mafatlal participated in Medica - India's largest medical equipment and hospital needs expo, held at Chennai and Mumbai to showcase its healthcare vertical, Medimaf. Medimaf product range includes adult diaper pants, tape diapers, and bed and bath wipes, all crafted from high-quality materials to ensure softness and gentleness on the skin.



Steering Mafatlal and Driving Momentum with Integrity

Mr. Hrishikesh A. Mafatlal Promoter & Chairman

Years of Experience: 47+

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 Programme (AMP) at Harvard Business School 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). He is currently also the Chairman and Promoter Director of NOCIL Limited.

Mr. Priyavrata H. Mafatlal Managing Director

Years of Experience: 16+

Mr. Priyavrata H. Mafatlal is the Managing Director of the Company. He is the son of Mr. Hrishikesh A. Mafatlal, the Company's Chairman. Mr. Priyavrata Mafatlal has graduated in Marketing and is also an alumni of Harvard Business School, USA. He has more than 16 years of rich experience in manufacturing, marketing, and general management. He is currently a Director on the Board of NOCIL Ltd.

Mr. Vilas R. Gupte Independent Director

Years of Experience: 56+

Mr. Gupte is a Chartered Accountant with over 56 years of multifaceted corporate experience spanning finance, legal and commercial areas. He has hands-on experience of mergers and acquisitions and financial restructuring. Presently Mr. Gupte is a Business Solutions Consultant and is also on the Board of NOCIL Ltd.

Mr. Sujal A. Shah Independent Director

Years of Experience: 33+

Mr. Shah has an experience of over 33 years in valuation, due diligence, corporate restructuring, audit and advisory. He is a commerce graduate and member of the Institute of Chartered Accountants of India.

Mrs. Latika Pradhan Independent Director

Years of Experience: 43+

Ms. Pradhan has an experience of over 43 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 Bachelor of Laws. 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. Gautam Chakravarti Independent Director

Years of Experience: 48+

Mr. Chakravarti has an experience of over 48 years in the fields of procurement, internal audit, business controller, leading an exports SBU, mergers and acquisitions. He has a Master's degree in Economics and MBA from IIM Ahmedabad. He has completed Executive Development Programs with Wharton Business School, USA and MIT, USA. He has been associated with well-known Indian corporate houses such as Mahindra & Mahindra, Reliance Communications, Bilcare Ltd, Hindustan Unilever Ltd, and Blackstone Capital Partners.



Mr. Pradip N. Kapadia Independent Director

Years of Experience: 50+

Mr. Kapadia is a senior partner in Vigil Juris, advocates and solicitors, Mumbai and has an experience of over 50 years in the legal field. An advocate and solicitor, he is on the Board of various other companies. He has a B.A., LLB degree.

Mr. Atul K. Srivastava Independent Director

Years of Experience: 47+

Mr. Srivastava has an experience of over 47 years in large corporates, in the areas of finance, accounting, taxation and commerce. He is a Science Graduate and a Fellow Chartered Accountant - BSC (Hons), FCA.

Mr. Abhay Jadeja Additional Director

(appointed as on May 27, 2024)

Years of Experience: 19+

Mr. Jadeja has an experience of over 19 years 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 LLB degree and memberships of Bar Council of Maharashtra & Goa, Bombay Bar Association and Supreme Court Bar Association.

Mr. Ashutosh Bishnoi Additional Director

(appointed as on May 27, 2024)

Years of Experience: 40+

Mr. Bishnoi has experience of over 40 years in the fields of financial services and consumer marketing. He has MBA degree from Symbiosis Institute of Business Management, Pune. He 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.

Summarized Financial Data Table

Particulars	2014 - 15	2015-16	2016-17	2017-18
PROFIT & LOSS ACCOUNT				
Total income	1,044.69	1,344.66	1,280.68	1,200.50
Profit before depreciation, interest, exceptional items and tax	50.18	61.19	55.04	25.24
Exceptional items	8.99	-	(8.70)	-
Finance costs	(16.84)	(21.16)	(26.20)	(31.09)
Depreciation, amortization and impairment	(16.71)	(21.19)	(27.06)	(36.11)
Profit before tax	25.62	18.84	(6.92)	(41.95)
Profit after tax	24.37	17.12	(2.15)	(41.78)
Dividend (₹ Per share)	3	3	3	-
Basic earning per share (EPS) of ₹ 2/- each	3.50	2.46	(0.31)	(6.01)
BALANCE SHEET				
Net fixed assets	200.91	222.56	297.17	301.94
Investments	47.89	47.94	62.21	501.88
Other assets (net)*	251.57	331.30	259.96	228.18
Total application of funds	500.37	601.80	619.34	1,032.00
Borrowings	134.92	224.25	243.94	233.60
Net worth:				
Share capital	13.91	13.91	13.91	13.91
Reserves	351.54	363.64	361.49	784.49
Total net worth:	365.45	377.55	375.40	798.40
Total sources of funds	500.37	601.80	619.34	1,032.00
KEY PERFORMANCE INDICATORS				
Book value per equity share of ₹ 2/- each	52.53	54.27	53.96	114.77
Debt / Equity ratio	0.37	0.59	0.65	0.29
Operating EBITDA (%)	5%	5%	4%	2%
Profit after tax (%)	2%	1%	0%	(3%)
Return on net worth (%)	7%	5%	(1%)	(5%)
Return on capital employed (%)	8%	7%	3%	(1%)

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

"Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures."



(₹ in Crores)

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

Corporate Information

This Annual Report (containing all the reports and information) may contain forward looking information to enable the investors to comprehend our prospects and take informed investment decisions. This report and other statements- written as well as the oral- that we periodically make, contain forward-looking statements that sets out anticipated results based on the management's plans and assumptions. We have 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. We cannot guarantee that forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risk or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forwardlooking 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 and 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 in full measure, members who have not registered their email addresses so far are requested to register their e-mail addresses in respect of electronic holding with the Depository through their concerned Depository Participants (DP).

BOARD OF DIRECTORS

Mr. H. A. Mafatlal

Chairman
00009872

Mr. V. R. Gupte

Independent Director
00011330

Mr. P. N. Kapadia

Independent Director
00078673

Mr. A. K. Srivastava

Independent Director
00046776

Mrs. L. P. Pradhan

Independent Woman Director
07118801

Mr. G. G. Chakravarti

Independent Director
00004399

Mr. S. A. Shah

Independent Director
00058019

Mr. P. H. Mafatlal

Managing Director
02433237

ADDITIONAL DIRECTORS

Mr. Abhay Jadeja

Additional Director
(W.e.f 27-05-2024)
03319142

Mr. Ashutosh Bishnoi

Additional Director
(W.e.f 27-05-2024)
02926849

AUDIT COMMITTEE

Mr. V. R. Gupte

Chairman

Mr. S. A. Shah

Member

Mrs. L. P. Pradhan

Member

Mr. G. G. Chakravarti

Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. A. K. Srivastava

Chairman

Mr. H. A. Mafatlal

Member

Mr. P. N. Kapadia

Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. P. N. Kapadia

Chairman

Mr. V. R. Gupte

Member

Mr. G. G. Chakravarti

Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. H. A. Mafatlal

Chairman

Mr. A. K. Srivastava

Member

Mr. S. A. Shah

Member

CHIEF EXECUTIVE OFFICER (CEO)

Mr. M. B. Raghunath

CHIEF FINANCIAL OFFICER (CFO)

Mr. Milan P. Shah

COMPANY SECRETARY (CS)

Mr. Amish P. Shah

AUDITORS

Price Waterhouse Chartered Accountants LLP

SOLICITORS

Vigil Juris, Mumbai

CORPORATE OFFICE

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

REGISTERED OFFICE

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

PLANTS

NADIAD

Kapadvanj Road, Nadiad – 387001,
Gujarat

SANGLI

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

REGISTRAR & SHARE TRANSFER AGENT

KFIN TECHNOLOGIES LTD.

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

INVESTOR RELATIONS CENTRE

AHMEDABAD

Office No. 401 on 4th Floor, ABC-I, Off.
C.G. Road, Ahmedabad – 380009
Email: ahmedabadmfd@kfintech.com
Tel: 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 110th Annual General Meeting of Mafatlal Industries Limited (the Company) will be held on **Friday, August 2, 2024, 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-380009, Gujarat.

ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Financial Statements (both Standalone and Consolidated) for the financial year ended March 31, 2024, together with report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Priyavrata H. Mafatlal (DIN: 02433237) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. 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 modifications(s) or re-enactment(s) thereof for the time being in force) the payment of Remuneration of ₹ 4,37,500/- (Rupees Four Lakhs Thirty Seven Thousand Five Hundred Only) (plus taxes and re-reimbursement of out-of-pocket expenses incurred by him for the purpose of Audit) payable to M/s. B. Desai & Co., Cost Auditor, (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 2024-25 as approved by the Board of Directors of the Company on recommendation of the Audit Committee, be and is hereby approved and ratified."

4. CONTINUATION OF MR. HRISHIKESH A. MAFATLAL (DIN: 00009872) AS AN EXECUTIVE CHAIRMAN UPON ATTAINING THE AGE OF SEVENTY YEARS:

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 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 (including any amendments, statutory modification(s) or re-enactment(s) thereof, for the time being in force), including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as approved by the Nomination and Remuneration Committee and Board of Directors of the Company at its meeting held on May 27, 2024, the approval of the Members of the Company be and is hereby accorded for continuation of tenure of Mr. Hrishikesh A. Mafatlal (DIN: 00009872) as the Executive Chairman of the Company, upon attaining the age of 70 (Seventy) years on November 24, 2024, on the existing terms and conditions duly approved by a Special Resolution passed on July 30, 2021, at the 107th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to vary and/or revise the remuneration of Mr. Hrishikesh A. Mafatlal as the Executive Chairman within the overall limits prescribed under Section 197 of the Companies Act, 2013 and/or as specified in Schedule V to the Companies Act, 2013, subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.

RESOLVED FURTHER THAT any of the Board of 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. RE-APPOINTMENT OF MR. ATUL K. SRIVASTAVA (DIN: 00046776) AS AN INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 YEARS COMMENCING FROM AUGUST 5, 2024:

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, 150, 152, 160 and read with Schedule IV of the Companies Act, 2013, the Rules made thereunder and other applicable provisions of the Companies Act, 2013, including the rules, notifications, circulars, guidelines etc. issued thereunder (the "Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force

NOTICE (Contd.)

and in line with the Articles of Association of the Company, as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the re-appointment of Mr. Atul K. Srivastava (DIN: 00046776), who was appointed as an Independent Director at the 105th Annual General Meeting of the Company held on August 2, 2019, and who holds office up to August 4, 2024, and has submitted a declaration confirming that he satisfies the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received notice in writing from members under Section 160 of the Act proposing his candidature for the office of Independent Director, be and is hereby re-appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of five years with effect from August 5, 2024, up to August 4, 2029.

RESOLVED FURTHER THAT pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions, if any, of the Companies Act, 2013, approval of the Members be and is hereby accorded for the continuance of Mr. Srivastava, as an Independent Director of the Company for the above stated terms notwithstanding that he shall cross the age of 75 years during such term.

RESOLVED FURTHER THAT any of the Board of 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. TO APPOINT MR. ABHAY ROHIT JADEJA (DIN: 03319142), AS AN INDEPENDENT DIRECTOR:

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, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the

recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mr. Abhay Rohit Jadeja (DIN: 03319142), who was appointed as an Additional Director, in the capacity of an Independent Director, of the Company with effect from May 27, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received notice in writing from members under Section 160 of the Act proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from May 27, 2024 up to May 26, 2029.

RESOLVED FURTHER THAT any of the Board of 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."

7. TO APPOINT MR. ASHUTOSH BISHNOI (DIN: 02926849), AS AN INDEPENDENT DIRECTOR:

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, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mr. Ashutosh Bishnoi (DIN: 02926849), who was appointed as an Additional Director, in the capacity of an Independent Director, of the Company with effect from May 27, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received notice in writing from members under



NOTICE (Contd.)

Section 160 of the Act proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from May 27, 2024 up to May 26, 2029.

RESOLVED FURTHER THAT any of the Board of 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."

8. TO REVISE THE REMUNERATION OF MR. PRIYAVRATA H. MAFATLAL, MANAGING DIRECTOR (DIN: 02433237):

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder (including any statutory modifications or re-enactments thereof, for the time being in force) and in furtherance of the special resolution passed in the 107th Annual General Meeting held on July 30, 2021 and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded for payment of remuneration to Mr. Priyavrata H. Mafatlal (DIN: 02433237) as Managing Director, as set out in the Explanatory Statement, with effect from April 1, 2024 up to the remaining period of his appointment till October 31, 2026, notwithstanding that such remuneration may exceed the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits calculated in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (which will include any committee thereof) be and is hereby authorized to increase, alter and vary the designation, salary, performance-based incentive, commission and perquisites and/ or other terms of appointment of Mr. Priyavrata H. Mafatlal in such manner as the Board in its absolute discretion deems fit and is acceptable to him.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be 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 27, 2024

Regd. Office:
Mafatlal Industries Limited (CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off. C G Road,
Navrangpura, Ahmedabad - 380009.
Tel: 079-26444404-06 Fax: 079- 26444403,
Email: ahmedabad@mafatlals.com
Website: www.mafatlals.com

NOTICE (Contd.)
NOTES

1. The Ministry of Corporate Affairs ('MCA') has, vide its circular dated April 8, 2020 read together with circulars dated April 13, 2020; May 5, 2020; January 13, 2021; December 8, 2021; December 14, 2021; May 5, 2022; December 28, 2022; and September 25, 2023 (collectively referred to as 'MCA Circulars') and 'SEBI' Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CR/2023/167 dated October 07, 2023 (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 Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the circulars issued by Bombay Stock Exchange (BSE), the AGM of the Company will be held through VC / OAVM. Generally, a member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and that the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members will not be available for the AGM and hence the Proxy Forms and Attendance Slips are not annexed hereto.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, July 27, 2024 to Friday, August 2, 2024 (both days inclusive) for the purpose of the annual closing and Annual General Meeting.**
3. The annual report, inter alia, containing the 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 AGM forms part of the Annual Report 2023-24 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 email: ahmedabad@mafatlals.com. The Annual General Meeting shall be held through video conferencing/other audio-visual means. However, for the purpose of record/jurisdiction, the deemed place of the Meeting shall be the Registered Office of the Company situated at 301 – 302 Heritage Horizon, 3rd Floor, Off. C. G. Road, Navrangpura, Ahmedabad - 380009.
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. Members are requested to note that pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, **all equity shares of the Company on which dividend for the year 2016-17 (declared on 103rd AGM) has not been claimed for 7 consecutive years or more, shall be required to be transferred by the Company, along with the said dividend, to Investor Education and Protection Fund (IEPF) on or after September 9, 2024.** The details of the Members, who have not encashed their dividend warrants for the earlier years and whose shares are liable to be transferred to the IEPF Authority if they do not encash their dividend prior to said date, are put on the Company's website www.mafatlals.com under the "Investors" Section. Hence, Members who have not encashed their dividend warrants for the earlier year/s are advised to write to the Company and Company's Registrar & Share Transfer Agent - KFin Technologies Ltd. immediately claiming their dividends declared by the Company.
6. Pursuant to the Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with applicable Secretarial Standards issued by ICSI, the requisite information inter alia containing the remuneration paid to the Director seeking **appointment / re- appointment is as per Annexure I** to this notice.
7. Route map and prominent landmark for easy location of venue of the AGM is not provided in the Annual Report since Annual General Meeting is to be held through VC/OAVM.
8. 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.
9. It may be noted that the Company will provide the Shareholders' Cloth Discount Coupon to those members who request for the same. Shareholders may communicate on the Company's email address of ahmedabad@mafatlals.com or at the Registered Office.
10. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Members holding shares in the physical form are advised to complete KYC in the prescribed form No. ISR-1 to communicate the particulars of their PAN, bank account, change of postal address, email id, mobile no and nomination to our 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://ris.kfintech.com/clientservices/isc/default.aspx>.
12. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members



NOTICE (Contd.)

- 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.
13. The Company fixed **Friday, July 26, 2024, as the cut-off date** for determining the eligibility of Members entitled to vote at the AGM. The remote e-voting shall remain open for three days commencing from **Tuesday, July 30, 2024, at 9.00 a.m. (IST) to Thursday, August 1, 2024, 5.00 p.m. (IST), (both days inclusive)**.
 14. Members present in the meeting through video conferencing and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through the e-voting system during the meeting.
 15. In line with 'green initiatives,' the Act provides for sending the Notice of the AGM and other correspondence through the electronic mode. Hence, Members who have not registered their mail IDs with their depository participants are requested to register their email ID for receiving all our communications, including Annual Report, Notices etc., in the electronic mode. The Company is concerned about protecting the environment and utilizing natural resources in a sustainable way.
 16. Members are requested to note that as per Section 124(6) of the Act, 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 during the financial year 2022-23 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.
 17. As per Regulation 40 of the SEBI Listing Regulations, 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.
 18. CS Umesh Ved, 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.
 19. The Scrutinizer will submit his report to the Chairman, or any other person authorized by the Chairman after the completion of the 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 result 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.
 20. 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 email address, mentioning their name, DP ID and Client ID number /folio number, and mobile number, to reach the email address at agm.speaker@mafatlals.com **before 5.00 p.m. (IST) on Friday, July 26, 2024**. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest, post the conclusion of the AGM.
 21. The SEBI vide its Circulars issued during 2023, 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 August 11, 2023. Pursuant to the same, investors shall first take up a grievance with the Company directly, escalate the same through the SCORES Portal and 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>.
 22. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by email, 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.
 23. Shareholders seeking any information regarding the accounts of the Company are requested to write to the Company at ahmedabad@mafatlals.com. least 10 days before the meeting so that the information is made available by the management on the day of the meeting.
 24. Instructions for E-Voting, attending the 110th Annual General Meeting through Video Conferencing (VC/OAVM), and other instructions, are posted on Company's website www.mafatlals.com and also provided at the end of this Annual Report. The same is also sent to concerned shareholders whose email id is registered with us.
 25. The Shares of the Company are listed on BSE Ltd, and the Listing fee for the Exchange has been paid by the Company for the financial year 2024-25.

NOTICE (Contd.)

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

IN RESPECT OF ITEM NO. 3:

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, and other applicable provisions, if any, the Company is required to appoint a Cost Auditor for the audit of cost accounting records relating to the Textiles Products of the Company maintained in compliance of the applicable provisions. Based on recommendation of the Audit Committee, the Board of Directors has appointed M/s. B. Desai & Co. Cost Auditor, (Firm Registration No. 005431), as the Cost Auditor for conducting the cost audit for the financial year 2024-25 on a proposed remuneration ₹ 4,37,500/- (Rupees Four Lakhs Thirty-Seven Thousand Five Hundred only) plus taxes and re-imbursment of out-of-pocket expenses incurred for the purpose of audit.

Accordingly, the consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 3 of the Notice. The Board accordingly recommends the resolution at Item No. 3 of this Notice for the approval of the Members.

In accordance with the provisions of Section 148 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.

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. 3 of this Notice.

IN RESPECT OF ITEM NO. 4:

The Members of the Company, at their 107th Annual General Meeting held on July 30, 2021 approved the appointment of Mr. Hrishikesh A. Mafatlal (DIN: 00009872), as an Executive Chairman of the Company for a period of five years, effective from November 1, 2021 to October 31, 2026 through a Special Resolution under the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V of the Companies Act, 2013. Mr. Hrishikesh A. Mafatlal, Executive Chairman will attain the age of 70 years on November 24, 2024. The Company seeks consent of the members by way of Special Resolution for the continuation of Mr. Hrishikesh A. Mafatlal as the Executive Chairman even after the age of 70 years during the currency of his term of appointment under the provisions of Section 196(3)(a) of the Companies Act, 2013.

Mr. Hrishikesh A. Mafatlal is having good health and he is devoting his full attention to the affairs of the Company as is required.

Mr. Hrishikesh A. Mafatlal (DIN: 00009872) is currently Executive Chairman of the Board of the Company. He has been on the Board of the Company since 1979. 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. He is an Industrialist having diversified experience of more than 47 years in the areas of Textiles, Chemicals, Petrochemicals, Financial Services etc. He is the father of Mr. Priyavrata H. Mafatlal, Managing Director of the Company.

Accordingly, looking at his vast business association, expertise, competence, skills and rich experience in a diversified area, the Board of Directors recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members. The Board is of the view that the continued association of Mr. Hrishikesh A. Mafatlal would benefit the Company, given the knowledge, experience and performance of Mr. Hrishikesh A. Mafatlal, and his contribution to Board processes. It is in the interest of the Company to continue to avail his valuable expertise.

It may be noted that Mr. Hrishikesh A. Mafatlal, Executive Chairman has voluntarily waived receiving his remuneration for the entire current term. Hence, the Company has not paid any remuneration to him during his current tenure.

The details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure -I to the Notice.

The Board of Directors recommends to the members to pass the aforesaid resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel and/or their relatives except Mr. Hrishikesh A. Mafatlal and Mr. Priyavrata H. Mafatlal (son of Mr. Hrishikesh A. Mafatlal) and their relatives, to the extent of their shareholdings, are concerned or interested in the resolution at Item No. 4 of this Notice.

IN RESPECT OF ITEM NO. 5:

The Members of the Company, at their 105th Annual General Meeting held on August 2, 2019, appointed Mr. Atul K. Srivastava as an Independent Director for 5 (Five) consecutive years from August 5, 2019. Accordingly, the first term of Mr. Atul K. Srivastava as an Independent Director will end on August 4, 2024. He is eligible for re-appointment for a second term of 5 (Five) years, with effect from August 5, 2024, until August 4, 2029.

Following the performance evaluation of Mr. Atul K. Srivastava and considering the significant contributions made by him

**NOTICE (Contd.)**

during his tenure as an Independent Director, as well as the belief that his continued association would be beneficial to the Company. The Board, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommends the re-appointment of Mr. Atul K. Srivastava as a Non-Executive Independent Director of the Company for a second term of five years, subject to the approval of the Members.

Mr. Atul K. Srivastava has provided a declaration to the Board, stating that he continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). He also affirmed that he is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent for such re-appointment. In the opinion of the Board, Mr. Atul K. Srivastava is a person of integrity, possesses the relevant expertise/experience, and fulfils the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and he is independent of the management. In terms of Regulation 25(8) of the Listing Regulations, Mr. Atul K. Srivastava has confirmed that he is not aware of any circumstance or situation that exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties. Furthermore, a declaration has been received from Mr. Srivastava that he has not been debarred from holding the office of a director by virtue of any order passed by SEBI or any other such authority. The Company has received notice under Section 160 of the Act from the members of the Company proposing his candidacy as an Independent Director of the Company.

Considering his experience, the Board deems it desirable and in the interest of the Company to continue Mr. Atul K. Srivastava on the Board, and accordingly recommends the re-appointment of Mr. Atul K. Srivastava as an Independent Director for a second term of 5 years, as proposed in Resolution No. 5 for approval by the Members as a Special Resolution.

Further, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 years unless a Special Resolution is passed to that effect. Mr. Atul K. Srivastava shall attain the age of 75 years during his proposed second term and continuance of his proposed re-appointment as an Independent Director requires the consent of the Members by way of a Special Resolution. During his term of re-appointment, he shall not be liable to

retire by rotation as provided under Section 152(6) of the Companies Act, 2013. Mr. Atul K. Srivastava is the Chairman of Stakeholders Relationship Committee and Member of the Corporate Social Responsibility Committee of the Company.

None of the Directors, Key Managerial Personnel, and / or their relatives, except Mr. Atul K. Srivastava and his relatives, are in any way concerned or interested in the Resolution at Item No. 5 of this Notice.

The details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure- I to the Notice.

A copy of the draft letter of re-appointment of Mr. Atul K. Srivastava is available for inspection by the members. Members seeking to inspect such document can send an email to ahmedabad@mafatlals.com.

IN RESPECT OF ITEM NO. 6:

The Board at their meeting held on May 27, 2024, based on the recommendation of Nomination and Remuneration Committee, appointed Mr. Abhay R. Jadeja (DIN: 03319142), as an Additional Director (in the capacity of Independent Director) of the Company with effect from May 27, 2024, for a term of five consecutive years i.e. up to May 26, 2029, under Sections 149, 150, 152, 160 and 161 of the Act and the Articles of Association of the Company.

Under the provisions of Section 161(1) of the Companies Act, 2013 and Article 152 of the Articles of Association of the Company, he will hold office as an Additional Director upto this Annual General Meeting. Pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Abhay R. Jadeja, shall hold office until the date of the next General Meeting or for a period of three months from the date of appointment, whichever is earlier. Mr. Abhay R. Jadeja is eligible to be appointed as an Independent Director for a term of up to five consecutive years. The Company has received notice under Section 160 of the Act from the members of the Company proposing his candidacy as an Independent Director of the Company. The Company has also received a declaration of independence from Mr. Abhay R. Jadeja. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he has also confirmed that he is not aware of any circumstances or situation that exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of a director by virtue of any SEBI order or any other such authority and has successfully registered himself in the Independent Director's

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Data Bank maintained by the Indian Institute of Corporate Affairs.

Mr. Abhay R. Jadeja possesses the requisite skills, professional qualifications, experience, knowledge and capabilities identified by the Committee and the Board and required for the role of an Independent Director of the Company. He has expertise in the legal areas of complex commercial civil litigation, family and succession disputes, estate, trust and succession planning, white collar crimes, foreign exchange regulation matters, securities laws, insolvency, pharmaceutical and pricing related matters and possesses the appropriate skills, expertise and competencies required at the Board. Considering Mr. Abhay R. Jadeja's experience and legal professional competence, his appointment to the Board is in the overall interest of the Company. His expertise in the above-mentioned areas, expertise in critical areas of law will be of great value to the Company.

A copy of the letter of appointment issued to Mr. Abhay R. Jadeja as an Independent Director of the Company, subject to the approval of Members, setting out the terms and conditions of the appointment, would be available for inspection. Members seeking to inspect such documents can send an email to ahmedabad@mafatlals.com.

Mr. Abhay R. Jadeja is an Independent Director of Amal Speciality Chemicals Limited, Nilkamal Limited and Managing Partner of Jadeja and Satiya, a Mumbai based advocates partnership firm.

Having regard to the qualifications, knowledge and experience of Mr. Abhay R. Jadeja, the Board is of the view that his appointment as an Independent Director is in the interest of the Company and accordingly, the Board of Directors recommends passing the Special Resolution at Item No. 6 of this Notice.

None of the Directors, Key Managerial Personnel and/or their relatives, except Mr. Abhay R. Jadeja, and his relatives, are in any way deemed to be concerned or interested in the Resolution at Item No. 6 of this Notice.

The details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure- I to this Notice.

IN RESPECT OF ITEM NO. 7:

The Board at their meeting held on May 27, 2024, based on the recommendation of Nomination and Remuneration Committee, appointed Mr. Ashutosh Bishnoi (DIN: 02926849) as an Additional Director (in the capacity of Independent Director) of the Company with effect from May 27, 2024, for a term of five consecutive years i.e. up to May 26, 2029, under Sections 149, 150, 152, 160 and 161 of the Act and the Articles of Association of the Company.

Under the provisions of Section 161(1) of the Companies Act, 2013 and Article 152 of the Articles of Association of the Company, he will hold office as an Additional Director upto this Annual General Meeting. Pursuant to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Ashutosh Bishnoi shall hold office until the date of the next General Meeting or for a period of three months from the date of appointment, whichever is earlier. Mr. Ashutosh Bishnoi is eligible to be appointed as an Independent Director for a term of up to five consecutive years. The Company has received notice under Section 160 of the Act from the members of the Company proposing his candidacy as an Independent Director of the Company. The Company has also received a declaration of independence from Mr. Ashutosh Bishnoi. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, he has also confirmed that he is not aware of any circumstances or situation that exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of a director by virtue of any SEBI order or any other such authority and has successfully registered himself in the Independent Director's Data Bank maintained by the Indian Institute of Corporate Affairs.

Mr. Ashutosh Bishnoi possesses the requisite skills, experience, knowledge and capabilities identified by the Committee and the Board and required for the role of an Independent Director of the Company. He has expertise in the areas of Financial Services and Consumer Marketing, Mutual Funds and Securities Market and possesses the appropriate skills, expertise and competencies required by the Board. Considering Mr. Ashutosh Bishnoi's experience and professional competence, his appointment to the Board is in the overall interest of the Company. His expertise in the above-mentioned areas, understanding of different business environments and experience working with large Mutual Fund corporates will be of great value to the Company.

A copy of the letter of appointment issued to Mr. Ashutosh Bishnoi as an Independent Director of the Company, subject to the approval of Members, setting out the terms and conditions of the appointment, would be available for inspection. Members seeking to inspect such documents can send an email to ahmedabad@mafatlals.com.

Mr. Ashutosh Bishnoi is a Board member of Multi-Act Trade and Investments Private Limited and Baroda BNP Paribas Trustee India Private Limited. He is Audit Committee member of Baroda BNP Paribas Trustee India Private Limited.

With regard to the qualifications, knowledge, and experience of Mr. Ashutosh Bishnoi, the Board is of the view that his

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appointment as an Independent Director is in the interest of the Company and accordingly, the Board of Directors recommends passing the Resolution at Item No. 7 of this Notice.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Mr. Ashutosh Bishnoi, and his relatives, are in any way deemed to be concerned or interested in the Resolution at Item No. 7 of this Notice.

The details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure- I to this Notice.

IN RESPECT OF ITEM NO. 8:

Mr. Priyavrata H. Mafatlal (DIN: 02433237) aged 37 years, has graduated in Marketing and is also an alumni of Harvard Business School, USA. He is an Industrialist having diversified experience of more than 16 years in the areas of textiles, information technology, chemicals, Petrochemicals and other businesses. He is the son of Mr. Hrishikesh A. Mafatlal, Executive Chairman of the Company. He is a Non- Executive Director in NOCIL Limited.

Mr. Priyavrata H. Mafatlal was appointed as Executive Director (whole-time director) of the Company with effect from November 1, 2016. He took over charge of the Company as Chief Executive Director w.e.f. April 1, 2019. With effect from July 1, 2020 till October 31, 2021 he was the Managing Director and Chief Executive Officer of the Company.

At the 107th Annual General Meeting of the Company held on July 30, 2021 Mr. Priyavrata H. Mafatlal was appointed as the Managing Director and Chief Executive Officer

("MD&CEO") of the Company for a period of 5(five) years w.e.f. November 1, 2021 on the terms and conditions and remuneration as set out in the letter of appointment dated May 26, 2021 issued to him and laid before the said AGM with liberty and powers to the Board of Directors of the Company to increase, alter and vary the designation, remuneration and/or other terms of his appointment in such manner as the Board in its absolute discretion deems fit. As mentioned therein the said remuneration was payable as minimum remuneration in the event of absence or inadequacy of profits of the Company. The special resolution for payment of such remuneration as minimum remuneration in the absence or inadequacy of profit is valid only for a period of three years as provided in Schedule V to the Companies Act, 2013. Hence, the Company is seeking approval from the members by way of special resolution for payment of remuneration to Mr. P. H. Mafatlal, Managing Director from April 1, 2024, up to the remaining period of his appointment till October 31, 2026.

In the capacity of Managing Director, Mr. Priyavrata H. Mafatlal, has satisfactorily driven the turnaround of the business of the Company over the past few years amidst a tough business scenario. He is now working on identifying and implementing new business opportunities to accelerate the future growth of the Company. Hence looking to the enlarged role & higher responsibility, based on the recommendation and approval of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 27, 2024 subject to the approval by the members by a special resolution, revised the remuneration of Mr. Priyavrata H. Mafatlal as the Managing Director as mentioned below, w.e.f. April 1, 2024 till the end of his remaining tenure till October 31, 2026.

I	a	Basic Salary which shall not exceed ₹ 1,80,00,000 /- per annum
	b	Allowances, the aggregate monetary value of which shall not exceed ₹ 1,20,00,000 /- per annum. These perquisites and allowances would be in addition to the items mentioned in clause "c", "d" and "e" below:
	c	Perquisites: (i) Fully furnished house or house rent not exceeding ₹ 75,00,000 /- per annum in lieu thereof; (ii) Mediciam Policy, Personal Accident Insurance, Leave Travel Concession and Club Fees as per the Rules of the Company. Perquisites will be valued as per the Income Tax Rules, wherever applicable, and in the absence of such Rules, the perquisites will be valued at the actual cost to the Company.
	d	Payments, Provisions, and Entitlements in terms of Contribution to Provident Fund, Superannuation Fund /Annuity Fund, Gratuity, and other benefits will be as per the Rules of the Company.
	e	Apart from remuneration, Mr. Priyavrata H. Mafatlal will also be entitled to: (i) Free use of Company's car for the business of the Company with reimbursement of driver's salary. (ii) Free telephone facility at residence and use of mobile phone facility. (iii) Reimbursement of expenses actually and properly incurred by him for the business of the Company.

NOTICE (Contd.)

II		Performance linked incentive payment - per annum at the discretion of the Board, at the end of each financial year subject to a maximum of ₹ 1,00,00,000/- (One Crores) for a financial year.
III		<p>The following payments/ provisions shall not be included in the computation of limit of remuneration or perquisites (if any), as provided in Schedule V to the Companies Act, 2013 to the extents of:</p> <p>(i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.</p> <p>(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</p> <p>(iii) Encashment of leave as per the policy of the Company.</p>

He shall not be entitled to receive any sitting fees for attending the meetings of the Board of Directors or any Committees thereof. Subject to the provisions of Section 152 of the Companies Act, 2013, he shall be liable to retire by rotation.

A copy of the draft of the revised Letter of Appointment setting out the terms and conditions of the appointment would be available for inspection. Members seeking to inspect such documents can send an email to ahmedabad@mafatlals.com. The copy of same will be laid before the ensuing Annual General Meeting.

By the said proposed Special Resolution it is proposed to revise the remuneration structure of Mr. Priyavrata H. Mafatlal as Managing Director of the Company on the terms and conditions of the remuneration as aforesaid from April 1, 2024 up to the remaining period of his appointment till October 31, 2026. The Board of Directors of the Company recommends passing of the said resolution as a Special Resolution.

The information as required under para (iv) of Section II of Part II of Schedule V to the Companies Act, 2013 is annexed herewith forming a part of this Notice.

Further, the information as required under the SEBI (LODR) Regulations, 2015 as amended relating to the appointment is also annexed herewith forming a part of this Notice. The Board of Directors recommends to the members, pass the aforesaid resolution as a Special Resolution.

None of the Directors, Key Managerial Personnel and/or their relatives except Mr. Priyavrata H. Mafatlal himself, and Mr. Hrishikesh A. Mafatlal (father of Mr. Priyavrata H. Mafatlal) and their relatives to the extent of their shareholdings, are concerned or interested in the resolution at Item No. 8 of this Notice.

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

Amish P. Shah
Company Secretary
(ACS: 20622)

Place: Mumbai
Date: May 27, 2024

Regd. Office:
Mafatlal Industries Limited (CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off. C G Road,
Navrangpura, Ahmedabad - 380009.
Tel: 079-26444404-06 Fax: 079- 26444403,
Email: ahmedabad@mafatlals.com
Website: www.mafatlals.com



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ANNEXURE- I

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. Priyavrata H. Mafatlal (DIN 02433237)	Mr. Hrishikesh A. Mafatlal (DIN 00009872)
Age.	37 years	70 years
Qualifications	He has done his Masters of Commerce (with a specialization in Marketing) from Mumbai University and also an alumni of the Harvard Business School, USA.	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 a diverse experience of more than 16 years in the areas of textiles, Information Technology, chemicals, petrochemicals and other businesses.	He is an industrialist with diverse experience of more than 47 years in the areas of textiles, chemicals, petrochemicals, financial services, etc.
Date of first appointment on the Board.	November 1, 2016	May 3, 1979
Directorships held in other Companies (Public Limited Companies).	NOCIL Limited	NOCIL Limited
Resignations from the Listed Companies in the past three years.	None	None
Memberships/ Chairmanships of Committees of other Companies. (Public Limited Companies) # Only membership/ chairmanship of Audit committee and Stakeholders/shareholders Relationship Committee is considered.	None	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.	500 Equity Shares of ₹ 2/- each.	112,08,120 Equity Shares of ₹ 2/- each.
Relationship between Directors and other KMPs inter-se	He is the son of Mr. Hrishikesh A. Mafatlal, Executive Chairman of the Company.	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 2023-24.	Attended all the 7 Board Meetings held.	Attended all the 7 Board Meetings held. Attended 1 Stakeholders' Relationship Committee Meeting held.
Remuneration (including sitting fees, if any) drawn in the financial year 2023-24 and terms and conditions of re-appointment.	The remuneration paid to Mr. Priyavrata H. Mafatlal during the financial year is mentioned in the Corporate Governance Report. The revised remuneration structure for the remaining period of appointment until October 31, 2026, is mentioned in the explanatory statement.	Mr. Hrishikesh A. Mafatlal, Executive Chairman has voluntarily waived receiving remuneration since his appointment from November 1, 2016. Accordingly, the Company did not pay him any remuneration. Continuation as an Executive Chairman upon attaining the age of seventy years.

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Name & DIN	Mr. Atul K. Srivastava (DIN 00046776)	Mr. Abhay R. Jadeja (DIN 03319142)
Age.	72 years	42 years
Qualifications.	He did B. Sc with Honors, and is also a Fellow Chartered Accountant (FCA).	He did Bachelor of Law (LL.B.) from Mumbai University. He is member of the Bar Council of Maharashtra and Goa, the Bombay Bar Association and Supreme Court Bar Association.
Experience (including expertise in specific functional area) / Brief Resume.	He is having experience of over 47 years in large corporates, in the areas of finance, accounting, taxation and commerce.	He has over 19 years' experience as a lawyer. He is the Co-founder and Managing Partner of Mumbai based law firm Jadeja and Satiya. Before founding Jadeja and Satiya, he was associated with Crawford Bayley & Co. His practice focuses on 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 successfully spearheaded various high-profile litigations, both civil and criminal, before various courts, tribunals and arbitrations. As part of his practice, he advises clients on sensitive and complex issues and advises boards of directors and senior management in critical situations. He was an Independent Director on the Board of Amal Limited (a Lalbhai Group Company). He is an Independent Director of Amal Speciality Chemicals Limited and Nilkamal Limited.
Date of first appointment on the Board.	October 10, 2012	May 27, 2024
Directorships held in other Companies (Public Limited Companies).	Navin Fluorine International Limited. Navin Fluorine Advance Sciences Limited.	Amal Speciality Chemicals Limited. Nilkamal Limited.
Resignations from the Listed Companies in the past three years.	None	Amal Limited (Cessation as Independent Director)
Memberships/ Chairmanships of Committees of other Companies. (Public Limited Companies). # Only membership/ chairmanship of Audit committee and Stakeholders/shareholders Relationship Committee is considered.	Mafatlal Industries Limited Chairman of Stakeholders' Relationship Committee Navin Fluorine International Limited. Member of Stakeholders' Relationship Committee	None
Number of Equity Shares held in the Company, including shareholding as a beneficial owner.	None	None
Relationship between Directors and other KMPs inter-se	None	None
Number of Meetings of the Board, Audit Committee and the Stakeholders' Relationship Committees attended during the financial year 2023-24.	Attended all the 7 Board Meetings held. Attended 1 Stakeholders' Relationship Committee Meeting held.	None
Remuneration (including sitting fees, if any) drawn in the financial year 2023-24 and terms and conditions of re-appointment.	The remuneration paid to Mr. Atul K. Srivastava during the financial year is mentioned in the Corporate Governance Report. Re-appointment as a Non-Executive, Independent Director for the second term with effect from August 5, 2024.	None Appointment as Non- Executive Independent Director with effect from May 27, 2024.



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Name & DIN	Mr. Ashutosh Bishnoi (DIN 02926849)
Age.	62 years
Qualifications.	He did Master of Business Administration (MBA) from the Symbiosis Institute of Business Management, Pune and did Mahindra Universe Program at the Harvard Business School, Boston (US).
Experience (including expertise in specific functional area) / Brief Resume.	<p>He has over four decades of experience in the financial services and consumer marketing businesses in India.</p> <p>He worked as an executive business advisor, president, and CEO of well-known mutual fund groups such as Mahindra Group, L&T Finance, L&T Mutual Fund, Street Bank's Fund, Guernsey, UK, UTI Mutual Fund, DSP Merrill Lynch Asset Management Ltd., and JM Mutual Fund.</p> <p>He was the Managing Director of Mahindra Manulife Investment Management, Board Director of the Association of Mutual Funds in India, Damodaran's consultancy Excellence Enablers Pvt. Ltd., Multi-Act Trade and Investments, Portfolio Manager, Multi-Act Equity Consultancy Pvt. Ltd., and custody house Orbis Capital Ltd.</p> <p>He is the Non-Executive, Non-Independent Director of Investment Advisor Multi-Act Trade and Investments Pvt. Ltd. and M Damodaran's startup. He is Independent Director of Baroda BNP Paribas Trustee India Pvt. Ltd.</p>
Date of first appointment on the Board.	May 27, 2024
Directorships held in other Companies (Public Limited Companies).	None
Resignations from the Listed Companies in the past three years.	None
Memberships/ Chairmanships of Committees of other Companies. (Public Limited Companies). # Only membership/chairmanship of Audit committee and Stakeholders/shareholders Relationship Committee is considered.	Baroda BNP Paribas Trustee India Pvt. Ltd. Member of Audit Committee.
Number of Equity Shares held in the Company, including shareholding as a beneficial owner.	None
Relationship between Directors and other KMPs inter-se	None
Number of Meetings of the Board, Audit Committee and the Stakeholders' Relationship Committees attended during the financial year 2023-24.	None
Remuneration (including sitting fees, if any) drawn in the financial year 2023-24 and terms and conditions of re-appointment.	None Appointment as Non- Executive Independent Director with effect from May 27, 2024.

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

Amish P. Shah
Company Secretary
(ACS: 20622)

Place: Mumbai
Dated: May 27, 2024

NOTICE (Contd.)

ANNEXURE II

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 modification in remuneration structure for the remaining tenure till October 31, 2026 of Mr. Priyavrata H. Mafatlal, Managing Director w.e.f. April 1, 2024.

I. GENERAL INFORMATION:

- (1) Nature of Industry:
The Company is engaged in the Manufacturing and trading of Textiles and related products, digital infrastructure and related products and Consumer Durables and related product segments.
- (2) Date or expected date of commencement of commercial production:
Not applicable
- (3) In case of new companies, 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)
	Current Year (2023-24)
	Previous Year (2022-23)
Total turnover and other operational income	2,142.22
EBITDA	109.37
Net Profit after Tax	98.75

- (5) Foreign investment or collaboration:
None

II. INFORMATION ABOUT THE APPOINTEES:

- (1) Background details:
Mr. Priyavrata H. Mafatlal (DIN 02433237) aged 37 years, has a Master of Commerce from Mumbai University (with a specialization in marketing) and is also an alumni of Harvard Business School, USA. He is an Industrialist having diversified experience of more than 16 years in the areas of Textiles, IT, Petrochemicals, Chemicals and other Businesses. The shareholders of the Company at the 107th Annual General Meeting held on July 30, 2021, appointed Mr. Priyavrata H. Mafatlal as a Managing Director and Chief Executive Officer (MD & CEO) of the Company for a period of five years with effect from November 1, 2021. Currently, he is designated as Managing Director of the Company w.e.f. April 1, 2022.
- (2) Past Remuneration:
Mr. Priyavrata H. Mafatlal, Managing Director of the Company has been paid remuneration of ₹ 2.58 Crores during the financial year 2023-24.
- (3) Job Profile and suitability:
Mr. Priyavrata H. Mafatlal has gained varied experience and exposure in working with different businesses and divisions of the Company as well as other group companies for over 16 years. Looking at his overall exposure, experience, and responsibilities shouldered by him, he is suitable for the position.
- (4) Remuneration proposed:
The remuneration proposed, for Mr. Priyavrata H. Mafatlal, is mentioned in the Explanatory Statement in respect of Item No. 8 of the Notice convening 110th Annual General Meeting.



NOTICE (Contd.)

- (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 size of the Company, the industry benchmarks, experience of the appointees, and the responsibilities to be shouldered by each of the appointee, the proposed remuneration commensurate with the remuneration paid to similar appointees in other companies.

- (6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Except for the proposed remuneration, Mr. Priyavrata H. Mafatlal do not have any pecuniary relationship directly or indirectly with the Company or managerial personnel of the Company.

Mr. Priyavrata H. Mafatlal is son of Mr. Hrishikesh A. Mafatlal. He is a promoter and shareholder of the Company.

III. OTHER INFORMATION:**➤ Reasons of loss or inadequate profits:**

The Company has not been at a loss in the last two financial years. The Company is in absence or inadequacy of profit 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 to the Managing Director 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 three 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 two financial years.

DIRECTORS' REPORT

To
The Members,
Mafatlal Industries Limited

Your Board of Directors are pleased to present the 110th Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended on March 31, 2024.

FINANCIAL RESULTS

The financial results of the Company are as under:

Particulars	₹ in Crores	
	Current Year 2023-24	Previous Year 2022-23
Revenue from operations	2,078.41	1,370.52
Other income	63.81	45.10
Total income	2,142.22	1,415.62
EBITDA	109.37	73.88
Less: Depreciation and amortization expenses	15.00	15.36
Less: Finance costs	15.34	17.72
Profit before exceptional items	79.04	40.81
Exceptional items	0.00	(0.54)
Profit before taxes	79.04	40.27
Tax (expense) / benefits	19.71	(2.79)
Profit after taxes	98.75	37.48

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

During the financial year 2023-24 India continued its growth trajectory despite global disruptions. This growth was supported by continuing strength in domestic demand, a rising working-age population and proactive Government policies. Similarly, the Company has also showcased significant improvement in its financial performance, maintaining its leadership position in the school and corporate uniform segment, with an enhanced robust supply chain network across the country, backed by successful implementation of tenders with various State Governments.

During the financial year under review, the Company reported a Total Income of ₹ 2,142.22 Crores, an EBITDA of ₹ 109.37 Crore and a Net Profit of ₹ 79.04 Crores. The Company reported 51% increase in total income, a 48% growth in EBITDA, and a growth of 96% in profit before tax due to improved operational performance and non-core asset monetization.

BORROWINGS, LOANS, GUARANTEES, AND INVESTMENTS

During the financial year under review, the Company repaid long-term borrowings amounting to ₹ 29.15 Crores. The company expresses gratitude to all the banks and financial institutions for having stood by the Company for its growth and financing requirements. MIL has not granted any loan, given any guarantee, or made any investments as referred to in Section 186 of the Companies Act, 2013.

CREDIT RATING

During the financial year under review, Acuite Ratings & Research Limited assigned the credit rating 'ACUITE BBB' with stable outlook for long-term facilities and 'ACUITE A3+' (Upgraded) for short term facilities.

Care Ratings Limited (CARE) upgraded the credit rating during the year to 'CARE BBB' with stable outlook for long-term facilities with a tenure of more than one year and 'CARE A3+' for short-term facilities with a tenure of up to one year.

A detailed analysis of the financial results has been provided in the Management Discussion and Analysis Report, which forms a part of this Report.

DIVIDEND

While the Company has made profit during the year, the Board of Directors regrets its inability to declare dividend in view of past accumulated losses. It may be noted that the Company has filed Scheme of the Arrangement ("Scheme") between the Company and its Shareholders for reduction and reorganization of its capital. The past accumulated losses will be adjusted against various items of Reserves in the Balance Sheet. Your attention is drawn to para captioned 'Scheme of the Arrangement for capital reduction and capital reorganization' for more details.

**DIRECTORS' REPORT (Contd.)****UNCLAIMED DIVIDEND & 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, unclaimed dividend amounting to ₹ 7,69,458/- was transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Government of India.

Further, a total of 8,87,845 shares were transferred to the demat account of the IEPF, in accordance with IEPF Rules, as the dividend was not claimed by the shareholders for seven years. Details of the shares and dividend transferred to the IEPF account are available on the website of the Company at www.mafatlals.com/investors/

CAPITAL STRUCTURE OF THE COMPANY

During the year, the Company allotted an aggregate of 9,05,500 fully paid-up equity shares of ₹ 2/- each under the Mafatlal Employee Stock Option Scheme 2017. Accordingly, the subscribed and paid-up equity share capital of the Company increased from ₹ 14,11,94,860/- to ₹ 14,30,05,860/- consisting of 7,15,02,930/- equity shares of ₹ 2/- each.

There was no issue of equity shares with differential rights related to the dividend, voting, or otherwise, and no buyback of shares.

SCHEME OF THE ARRANGEMENT FOR CAPITAL REDUCTION AND CAPITAL REORGANIZATION

The Board of Directors at their meeting held on November 14, 2022, approved the Scheme of the Arrangement ('Scheme') between the Company and its Shareholders for reduction and reorganization of capital of the Company wherein the credit balances of various items of Reserves in the Balance Sheet would be adjusted against the entire debit balance of Retained Earnings. The scheme of the Company does not prejudicially affect the Company or its Shareholders or any other Stakeholders. It also does not in any way adversely affect the operations of the Company or its ability to honor its commitments. After the receipt of No Objection Letters from BSE Ltd and based on the direction of the Hon'ble National Company Law Tribunal, Ahmedabad Bench ('Tribunal') separate meetings of the Equity Shareholders, the Secured Creditors, and the Unsecured Creditors of the Company were held on January 24, 2024, to approve the scheme.

The National Company Law Tribunal, Ahmedabad ('NCLT'), vide its order dated April 29, 2024 (the 'NCLT order') has approved the Scheme with the Appointed Date / Effective Date as March 31, 2024. Against this, the Company has filed an interlocutory application on May 6, 2024 seeking modification with a plea to reinstate the Appointed date of April 1, 2022 in the

NCLT order, in accordance with the Scheme filed on October 10, 2023. The NCLT order with respect to the interlocutory application is awaited. The Company proposes to give the accounting effect prescribed in the Scheme on receiving the approval for the aforesaid interlocutory application from the NCLT which is supported by a legal opinion obtained by the Company. Once the order pursuant to such application is passed by the Tribunal, the Company shall give effect to the Scheme in the books of accounts.

The Scheme, Voting Results along with Scrutinizer's Report, Tribunal's Order, and other documents are available on the website of the Company at www.mafatlals.com/investors/

APPOINTMENT/REAPPOINTMENT OF DIRECTORS AND CHANGES IN KEY MANAGERIAL PERSONNEL**Re-appointment – retiring by rotation:**

Pursuant to the requirements of the Companies Act, 2013, Mr. Priyavrata H. Mafatlal (DIN 02433237), retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Re-appointment of Independent Director:

The first tenure of five years of Mr. Atul K. Srivastava (DIN: 00046776), Independent Director, expires on August 4, 2024. The Board of Directors at its Meeting held on May 27, 2024, on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members of the Company in the 110th Annual General meeting, Mr. Atul K Srivastava will be appointed as an Independent Director for a second term of five years from August 5, 2024, up to August 4, 2029, and that such term be continued notwithstanding that he shall cross the age of 75 years during such tenure.

Appointment of Independent Directors:

On May 27, 2024, the Board of Directors on the recommendation of the Nomination and Remuneration Committee and subject to approval from members of the Company in the 110th Annual General meeting, appointed Mr. Abhay Jadeja (DIN: 03319142) and Mr. Ashutosh Bishnoi (DIN: 02926849), as Independent Directors for a period of five years from May 27, 2024 to May 26, 2029.

As required under provisions of the Act and Listing Regulations, all Independent Directors of the Company have confirmed that they meet the requisite criteria of independence. None of the Directors are disqualified under the provisions of the Companies Act, 2013.

Continue tenure of Executive Chairman after attaining the age of seventy years:

As per provisions of Section 196(3)(a) of the Companies Act, 2013, no company shall appoint or continue the employment

DIRECTORS' REPORT (Contd.)

of any person as managing director, whole-time director or manager who is below the age of twenty-one years or has attained the age of seventy years, provided that appointment of a person who has attained the age of seventy years is made by passing a Special Resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person. Mr. Hrishikesh A. Mafatlal (DIN: 00009872), the Executive Chairman of the Company, will attain the age of 70 (seventy) years on November 24, 2024. On May 27, 2024, the Board of Directors on the recommendation of the Nomination and Remuneration Committee and subject to approval from members of the Company in the 110th Annual General meeting, approve the proposal to continue Mr. Hrishikesh A. Mafatlal as the Executive Chairman after attaining the age of 70 years, on the existing terms and conditions duly approved by the members in the 107th Annual General Meeting through a Special Resolution.

The Board recommends the appointment / re-appointment of the above Directors for approval. The brief details of the Directors proposed to be appointed / re-appointed, as required under Regulation 36 of SEBI Listing Regulations, are provided in the Notice of Annual General Meeting.

Changes in Key Managerial Personnel:

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

INDEPENDENT DIRECTORS AND THEIR MEETING

The Company received annual declarations from all Independent Directors of the Company, confirming that they meet the criteria of 'independence' provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There was no change in the circumstances which could affect their status as Independent Directors during the financial year.

The Independent Directors met on March 28, 2024, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of the Non-Independent Directors and the Board as a whole, and of the Chairman of the Company after considering the views of Executive Directors and Non-Executive Directors. The Independent Directors also assessed the quality, quantity, and timeliness of information flow between the Company's Management and the Board necessary for them to effectively perform their duties.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013, as amended from time to time and Regulations

17 and 25 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, of individual Directors as well as the evaluation of the working of its Audit, Nomination and Remuneration, and other Committees. The various criteria considered for evaluation of Whole Time / Executive Directors included qualification, experience, knowledge, commitment, integrity, leadership, engagement, transparency, analysis, decision making, governance etc. The Board commended the valuable contributions and the guidance provided by each Director in achieving the desired levels of growth. This is in addition to evaluation of Non-Independent Directors and the Board as a whole by the Independent Directors at their separate meeting being held every year.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013, is available on the website of the Company at www.mafatlals.com/investors/

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements under Section 134(5) of the Companies Act, 2013, the Board, to the best of its knowledge and belief, confirms that:

- i. the applicable accounting standards have been followed in preparation of annual accounts for the Financial Year ended on March 31, 2024, 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 financial year and of 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 provisions of the Act, for safeguarding 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, 2024, have been prepared on a going concern basis.
- v. internal financial controls are in place and that 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

The shareholders of the Company at the 103rd Annual General



DIRECTORS' REPORT (Contd.)

Meeting held on August 2, 2017, consented to the creation of 34,75,000 (after adjustment of the sub-division of equity shares of ₹ 10/- each to ₹ 2/- each) equity shares Employee Stock Option pool under the Mafatlal Employee Stock Option Scheme, 2017 (ESOP Scheme, 2017) by way of a Special Resolution.

ESOP Scheme, 2017 is in conformity with the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended and modified from time to time, as well as with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In this regard, a certificate from Umesh Ved & Associates, the Secretarial Auditors of the Company, will be placed at the ensuing 110th Annual General Meeting for inspection by members.

The detailed information on capital and reserves are provided in the attached audited accounts of the Company. The further disclosures, as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable provisions, are provided in **ANNEXURE- D** to this Report with other disclosures.

SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

The financial position of the subsidiary company is given in the Notes to Consolidated Financial Statements. The Company does not have any material subsidiary or associate Company. The Policy on Material Subsidiary, framed by the Board of Directors of the Company, is available on www.mafatlals.com/investors/

The audited accounts of Mafatlal Services Limited, subsidiary of the Company, for the financial year ended on March 31, 2024, has been placed on the Company's website www.mafatlals.com/investors/. It is open for inspection by any member at the Registered Office of the Company on all working days (Monday-Friday) between 3.00 pm to 5.00 pm. The Company will make these documents available on request by any member of the Company who may be interested in obtaining the same.

As reported earlier, Al Fahim Mafatlal Textiles LLC. (UAE) remained non-operational and since there was no foreseeable beneficial future, the Board of Directors of the Company and the joint venture partner decided on a voluntary winding-up/closure of that entity. The Company wrote to the Ministry of Commerce, Department of Economic Development, Dubai, that there was no operation of the said joint venture company from 2016. Accordingly, the Company has not applied for a 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. There is no Company that has become or 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 first proviso to sub-section (3) of Section 129 read with Rule 5 of 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 does not have 'Deposits' as contemplated under Chapter V of the Companies Act, 2013. Further, it has not invited or accepted any such deposit during the financial year ended on March 31, 2024.

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, 2024, 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 Company also has set up practices for daily back up of the entire database and application in remote locations.

SHARES LYING IN UNCLAIMED SUSPENSE ACCOUNT IN ELECTRONIC MODE

As of March 31, 2024, 765 equity shares have been transferred into an Unclaimed Share Suspense Account in terms of Regulation 39(4) read with Schedule VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the shares. The rightful owner can still claim his/ her shares from the suspense account after complying with the procedure laid down in the statute regarding the same.

DIRECTORS' REPORT (Contd.)

INDUSTRIAL RELATIONS

The relations between the employees and the Management remained cordial and harmonious during the financial year under review. There were 1216 (1121 in the previous financial year) permanent employees on the payroll of the Company as on March 31, 2024.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Mafatlal Industries Limited, a part of the Arvind Mafatlal Group, has been fulfilling its CSR duties for more than 52 years, much before CSR had been statutorily prescribed. The Company's work in this domain has focused on poverty alleviation, healthcare, education for young children, and upliftment of women across rural India. In conformity with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formed a CSR Committee, comprising Mr. Hrishikesh A. Mafatlal, who is the Chairman of the said Committee, and Mr. Atul Kumar Srivastava, and Mr. Sujal Shah, both of whom are Independent Directors.

Based on the recommendations of the CSR Committee, the Board of Directors formulated a CSR Policy encompassing the Group's and the Company's philosophy, underlying its CSR activities. It laid down the guidelines and mechanisms for undertaking socially relevant programs in conformity with the statutory provisions. This policy is posted on the website of the Company and available on www.mafatlals.com/investors/.

As per the provisions of Section 135, read with the Section 198 of the Companies Act, 2013, due to the losses incurred by the Company over the years, there was no CSR obligation for financial year 2023-24. Accordingly, there were no meetings of the CSR Committee during the year. The statutory disclosures with respect to CSR is annexed hereto, as an **Annexure-E**, which is forming a part of this report.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions undertaken by the Company during the financial year. The Company's policy for related party transactions is posted on the website of the Company and available on www.mafatlals.com/investors/.

The details of all transactions with the related parties are disclosed in Notes, forming a part of the financial statements, annexed to the financial statements for the financial year 2023-24 and annexed as a part of this report in **AOC- 2**, as an **Annexure-A**.

All the related party transactions entered into by the Company are in the ordinary course of business and on an arm's length basis, for which requisite prior approvals from the Audit Committee and the Board of Directors were obtained. None

of the related party transactions require approval from the shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT, CORPORATE GOVERNANCE REPORT

As required under Schedule V (B) and (C) of the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis Report as well as 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, are provided in the Corporate Governance Report and forms a part of this Report.

(c) Vigil Mechanism / Whistle Blower Policy

The Company adopted a Whistle Blower Policy and established a necessary vigil mechanism for employees and Directors to report concerns about unethical activities. No person had been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company 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, 2024, is available on the website of the Company at www.mafatlals.com/investors/

(f) Disclosures Under 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 said Act, read with other applicable provisions. Internal Complaints



DIRECTORS' REPORT (Contd.)

Committees are constituted and regularly redress complaints, if any. During the financial year under review, no complaint was 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 Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), and such systems are adequate and operating effectively.

(i) Risk Evaluation and Management

Business Risk Evaluation and Management is an ongoing process within the organization. The Company has a comprehensive risk management framework to identify, monitor, and minimize risks, while identifying business opportunities.

As per Regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Risk Management Committee is applicable to top 1000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year. Since the Company does not feature in this list, the said regulation is not applicable.

(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 Regulations.

Accordingly, the updated policies are uploaded on website of the Company at www.mafatlals.com/investors/.

(k) 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.

(l) No shares with differential voting rights and sweat equity shares have been issued.

(m) None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

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

(o) There was no instance of one-time settlement with any Bank or Financial Institution.

(p) 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, if any, 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) to hold office from the conclusion of the 108th AGM till the conclusion of the 113th AGM to 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 and Rules issued 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 listing regulations.

M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, (Firm registration No.012754N/N500016) issued Auditors Report for the financial year ended on March 31, 2024, and there are no qualifications in Auditors' Report.

II. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, Mr. Umesh Ved (Umesh Ved & Associates), Company Secretaries in practice, was appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2023-24 is annexed, which forms a part of this report, as **Annexure – III**. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

DIRECTORS' REPORT (Contd.)

III. Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, maintenance of cost records for Company's 'Textiles' products is required and accordingly such accounts and records are made and maintained by the Company. The cost audit for the financial year 2022-23 was carried out in time, and the Cost Audit Report with requisite data, in the prescribed form CRA-4, has already been filed with Ministry of Corporate Affairs (MCA) within the permissible time, last year.

Further, in accordance with the said applicable provisions, the audit of the cost records of the Company for the financial year 2023-24 relating to the 'Textiles' products as required is being carried out by Cost Auditors M/s. B. Desai & Co. (Firm Registration No. 005431) Cost Auditors. The Cost Audit Report will be filed on or before the due date with the MCA in due course of time after the same is approved by the Board of Directors of the Company within the permissible timeline.

On the recommendation of the Audit Committee, the Board has in their Meeting held on May 27, 2024, re-appointed M/s. B. Desai & Co. (Firm Registration No. 005431), Cost Auditors to audit cost records in respect of 'Textiles' products as required for the financial year 2024-25. The remuneration payable to the Cost Auditor has been proposed for approval by the Members of the Company at the ensuing Annual General Meeting.

IV. Internal Auditor

M/s. Aneja Associates, a reputed firm of Chartered Accountants, has carried out the Internal Audit of the Company for the financial year 2023-24. On the recommendation of the Audit Committee, the Board has in their Meeting held on May 27, 2024, appointed M/s. Aneja Assurance Pvt. Ltd., as an Internal Auditors of the Company for the financial year 2024-25. The Audit Committee of the Board of Directors, in consultation with the Internal Auditors, formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

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 the 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 Directors wish to place on record their appreciation of the devoted services of the workers, staff and the officers for their continued contribution to the Company. They also express appreciation to the Company's customers, business associates, banks, Government departments, agencies, service providers, suppliers, and other shareholders for their continued support and cooperation.

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

Hrishikesh A. Mafatlal

Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 27, 2024

**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, 2024**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
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NIL

2. Details of material contracts or arrangements or transactions at arm's length basis for the financial year ended on March 31, 2024

(₹ 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 Board	Amount paid as advances, if any
1.	Sumil Trading Private Limited (Formerly known as Sumil Holdings Private Limited)	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.	0.10	March 27, 2023	Nil
2.	Sumil Trading Private Limited (Formerly known as Sumil Holdings Private Limited)	Availing and/ or rendering services such as car and vehicle rent, providing services / office facilities / common facilities usage charge, etc. payment/ receipt of leave and license fees for using Company's premises as Registered Office and Corporate Office for its business activities.	Arrangement towards leave and licence fees and payment of car rent on actual basis.	0.26	March 27, 2023	Nil
3.	Intensive Clothing Care Unit	License fees for providing factory space at Nadiad and recovery of charges / common facilities/ utilities pertaining to the space.	License and utilities fees charged should not be less than the cost to the Company and what is charged to unrelated parties.	0.04	March 27, 2023	Nil
4.	Intensive Clothing Care Unit	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.	0.04	March 27, 2023	Nil
5.	NOCIL Limited	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	March 27, 2023	Nil
6.	NOCIL Limited	Recovery of charges / in respect of providing services / office facilities/ common facilities sharing, rendering of services etc.	Continuing arrangements towards recovery of utility and/or service charges cost /fee apportionment.	0.11	March 27, 2023	Nil
7.	NOCIL Limited	Dividend	Dividend received against investment in shares.	7.58	March 27, 2023	Nil
8.	Vrata Tech Solutions Private Limited	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	1.49	March 27, 2023	Nil
9.	Vrata Tech Solutions Private Limited	Recovery of charges / in respect of providing services / office facilities/ common facilities sharing, rendering of services etc.	Continuing arrangements towards recovery of utility and/or service charges cost /fee apportionment.	0	March 27, 2023	Nil
10.	Vrata Tech Solutions Private Limited	Leave and license fees for using Company's premises as Registered Office and Corporate Office.	License and utilities fees charged should not be less than the cost to the Company and what is charged to unrelated parties.	0.02	March 27, 2023	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 Board	Amount paid as advances, if any
11.	Mafatlal Services Limited	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.	0.13	March 27, 2023	Nil
12.	KSJ Trading Private Limited. (Formerly known as Gayatri Pestichem Manufacturing Private Limited)	Leave and license fees for using Company's premises as office space for Registered Office and Office address.	License and utilities fees charged should not be less than the cost to the Company and what is charged to unrelated parties.	0	March 27, 2023	Nil
13.	Wecare Meditex Private Limited	Leave and license fees for using Company's premises and utility charges	License and utilities fees charged should not be less than the cost to the Company and what is charged to unrelated parties.	0	March 27, 2023	Nil
14.	MAF Technologies Private Limited	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	March 27, 2023	Nil
15.	Wecare Meditex Private Limited	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.	57.17	March 27, 2023	Nil
16.	Cozee Hosiery and Knitting LLP	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.	2.03	March 27, 2023	Nil
17.	Shriaan Trading LLP	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 27, 2023	Nil
18.	Indivar Foundation	Receipt of leave and license fees for using Company's premises by Indivar Foundation as office space for carrying out its business activities.	Arrangements comparable with other unrelated party.	0.02	November 7, 2023	Nil
19.	Vrata Ventures Trading LLC	Sales, purchase or supply of any goods and material	Arrangements comparable with other unrelated party.	0	November 7, 2023	Nil
20.	Vigil Juris	Legal and advisory fees	Legal and professional charges.	0.03	February 5, 2024	Nil

*From items No 1 to 19 promoters of the company are directly or indirectly interested, in item No. 20, Mr. P. N. Kapadia, Independent Director is interested. Further details are provided in note no. 42 under notes forming part of the standalone financial statements.

Note: All Related Party Transactions (RPT) were done with the omnibus / requisite approval of the Audit Committee. The Audit Committee granted approval for all RPT at the beginning of the financial year.

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 year ended March 31, 2024.

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

Hrshikesh A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 27, 2024



ANNEXURE-B

Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earning & 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.
- Replaced the conventional copper/ electronics ballast fixtures at various locations with LED lights/ high bay fixtures to reduce electricity consumption.
- 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 12 TPH process boiler to reduce a dependence on the larger capacity boiler, which resulted in a lower Consumption of coal and fuel.
- Installed variable frequency drives on the boiler feed pump to reduce power consumption.
- Installing energy efficient electric equipment's and creating awareness among all the staff to conserve energy.
- The company has started using biofuel to reduce dependency on coal consumption.

B) Additional Investments and Proposals, if any, Being Implemented for Reduction of Consumption of Energy:

i. Investments proposals for 2025-26

- The Company is seeking better energy solutions like solar energy and green fuel 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	2023-24	2022-23
1. Electricity		
a) Purchased units KWH in Lakhs	170.54	209.05
b) Total amount (₹ in Crores)	17.64	19.66
c) Rate/unit (₹ /KWH)	10.341	9.403
2. Coal & Lignite		
a) Quantity (in MT)	40.493	36.825
b) Total cost (₹ in Crores)	26.47	32.95
c) Cost/MT	6,536.93	8,947.73

D) Consumption Per Unit of Production

Particulars	2023-24	2022-23
Electricity (KWH)	0.79	0.96
Coal and lignite (Kg)	1.19	1.24

ANNEXURE-B (Contd.)

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	2023-24	2022-23
a) Capital expenditure	-	-
b) Recurring expenditure	0.94	0.85
Total	0.94	0.85
Total R&D expenditure as a % of total turnover	0.05%	0.06%

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, the US, and other countries.

(B) Total foreign exchange used and earned:

(₹ in Crores)

Details	2023-24	2022-23
Total foreign exchange used	2.47	8.11
Total foreign exchange earned	33.25	36.65

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

Hrishikesh A. Mafatlal

Chairman

(DIN: 00009872)

Place: Mumbai

Date: May 27, 2024



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 the financial year 2023-24:

Sr. No.	Directors	Remuneration (₹ In Crores)	Median Remuneration (₹ In Crores)	Ratio *
1.	Mr. Hrishikesh A. Mafatlal - Chairman	Nil	0.05	NA
2.	Mr. Priyavrata H. Mafatlal - Managing Director	2.58	0.05	51.6
3.	Mr. Atul K. Srivastava	0.06	0.05	1.2
4.	Mr. Vilas R. Gupte	0.10	0.05	2.0
5.	Mr. Pradip N. Kapadia	0.09	0.05	1.8
6.	Mrs. Latika P. Pradhan	0.08	0.05	1.6
7.	Mr. Gautam G. Chakravarti	0.10	0.05	2.0
8.	Mr. Sujal A. Shah	0.09	0.05	1.8

*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 2023-24.

- The Non-Executive Directors were paid sitting fees only for attending Meetings of the Board and Committees thereof for the financial year 2023-24 at the rate ₹ 70,000/- per meeting and allowance as per Company policy.
- The Company has considered the Management Cadre (MC) employees and Non-Management Cadre (NMC) 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 2023-24.	The remuneration increase given to MD was 28%, CEO 28%, CFO 12% and CS 10%. There is no increase in remuneration/sitting fees of Non-Executive Directors.
II. Percentage increase in median remuneration of employees in the financial year.	3.30% (7.51% in previous year)
III. The number of permanent employees on the rolls of the Company.	1216 (1121 last year)
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 8.35% (7.95% in previous year) There is no exceptional circumstances for increase in the managerial remuneration.
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.

Sr. No.	Name & 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. Priyavrata H. Mafatlal, MD	2.58	Managing Director	Master of Commerce (with a specialization in Marketing) from Mumbai University and also an alumni of the Harvard Business School, USA.	More than 16 years	November 1, 2016	37 years	N.A.	500 (0.00%)	Yes, Son of Mr. H. A. Mafatlal, Chairman
2.	Mr. M. B. Raghunath, CEO	2.49	Employee	Bachelor's degree in physics, MBA- Mktg from NMIMS-Mumbai	More than 38 years	April 1, 1995	59 years	Berger Paints	2,84,500 (0.40%)	No
3.	Mr. Milan Shah, CFO	2.21	Employee	B. Com, CA, CS	More than 39 years	September 17, 2015	64 years	Arvind Limited	1,01,000 (0.14%)	No

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

Sr. No.	Name & Designation	Remuneration Received in ₹ (Lakhs)	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, 2024, 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 2% of the equity shares of the Company.: **Refer Clause A for details.**

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

Hrshikesh A. Mafatlal
Chairman
(DIN: 00009872)
Place: Mumbai
Date: May 27, 2024



ANNEXURE-D

DISCLOSURE REQUIRED PURSUANT TO REGULATION 14 OF THE SEBI (SHARE-BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 / THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021:

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 standalone 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 Standalone 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	5,38,500	5,10,000	75,000	N.A.*

Balance shares are available under the Mafatlal ESOP-2017, 4,75,000 as on May 27, 2024.

* 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.
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

ANNEXURE-D (Contd.)

iii. **Option movement during the financial year 2023-24 (For Each ESOP) (Face value of ₹ 2/- each):**

Number of options granted (includes options unvested) and outstanding at the beginning of the period	17,33,500
Number of options granted during the financial year	-
Number of options lapsed/forfeited during the financial year (due to resignations)	10,000
Number of options exercisable during the financial year	17,33,500
Number of options vested during the financial year	-
Number of options exercised during the financial year	9,05,500
Number of shares arising as a result of exercise of options	9,05,500
Money realized by exercise of options (₹), if scheme is implemented directly by the Company	3,54,35,110
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)	8,18,000
Number of options exercisable at the end of the financial year	8,18,000

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 standalone financial statement.

v. Employee wise details of options granted during the financial year 2023-24: NIL

a. **Details of options granted to Senior Managerial Personnel outstanding / in force at the end of the financial year 2023-24:**

Sr. No.	Name of employees	Total No of options granted (equity share of ₹ 2/- each)
1.	Mr. M.B. Raghunath	3,00,000
2.	Mr. Milan Shah	1,55,000
3.	Ms. Smita Jhanwar	10,000
4.	Mr. Vatsal Sheth	65,000
5.	Mr. Sailesh Nair	29,000
6.	Mr. Anish Pimputkar	41,500
7.	Mr. Sameer Tuplondhe	27,000
8.	Mr. Akash Dhuri	46,000
9.	Mr. Anirudha Lad	50,000
10.	Mrs. Monica Rathod (Legal heir of late Mr. Aniruddha Rathod)	12,000
11.	Mr. Dilip Shridhar Dhabe	82,500

•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.

b. 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**

c. 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 financial year to estimate the fair value of options including the following information:

A certificate from the Secretarial Auditor of the Company that the Mafatlal Employee Stock Option Scheme 2017, is 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.mafatlals.com/investors and a copy of the same shall be available for inspection at the Registered Office of the Company.

Further details related to the scheme are provided in the note no. 38 under notes to accounts standalone financial statement.

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

Hrishikesh A. Mafatlal

Chairman

(DIN: 00009872)

Place: Mumbai

Date: May 27, 2024



ANNEXURE-E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

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. The CSR Policy, inter-alia, covers the concept (CSR philosophy, activities undertaken by the group, scope and applicability, resources, identification and approval process, implementation and monitoring etc.) and the same 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	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Hrishikesh A Mafatlal	Chairman (Promoter-Executive)	None since there is no CSR Obligation for the year 2023-24	N.A.
2.	Mr. Sujal Shah	Independent Director	-do-	N.A.
3.	Mr. Atul Srivastava	Independent Director	-do-	N.A.

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

The composition of the CSR Committee is as above, while there is no CSR obligation for the financial year 2023–24, and accordingly, no CSR projects were approved by the Board/CSR Committee. The details of the CSR Policy weblink is already provided in para 1 above.

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **NOT APPLICABLE**

5.

Sr. No.	Particulars	Amount (₹ in Crores)
a.	Average Net Profit of the Company as per Sub-section (5) of section 135.	(251.07)
b.	Two percent of average net profit of the Company as per sub-section (5) of section 135	(5.02)
c.	Surplus arising out of the CSR projects or programmes 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)	NIL/ NA
b.	Amount spent in Administrative Overheads	NIL/ NA
c.	Amount spent on Impact Assessment, if applicable	NA
d.	Total amount spent for the financial year (6a+6b+6c)	NIL/ NA

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

Total Amount Spent for the Financial Year (in ₹)	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
NIL/NA	NIL/NA	NIL/NA	NIL/NA	NIL/NA	NIL/NA

* NIL / NOT APPLICABLE. Since there has been no CSR obligation for the Company during the last 3 financial years.

ANNEXURE-E (Contd.)

f. Excess amount for set off if any:

Sr. No.	Particulars	Amount (in ₹)
i)	Two percent of average net profit of the Company as per section 135(5)	(5.02)
ii)	Total amount spent for the Financial Year	NIL/ NA
iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL/ NA
iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any.	NIL/ NA
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL/ NA

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
					Amount (in ₹)	Date of transfer		
1.	2020-21	NA	NA	NA	NA	NA	NA	NA
2.	2021-22	NA	NA	NA	NA	NA	NA	NA
3.	2022-23	NA	NA	NA	NA	NA	NA	NA
	Total	NA	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 Corporate Social Responsibility amount spent in the financial year.

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	PIN code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

9. Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per sub section (5) of section 135 - NOT APPLICABLE

For Mafatlal Industries Limited

Hrishikesh A. Mafatlal

Chairman of CSR Committee
(DIN: 00009872)
Place: Mumbai
Date: May 27, 2024

Regd. Office:

Mafatlal Industries Limited
(CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, off. C. G. Road,
Navrangpura, Ahmedabad 380009.
Tel: 079 – 26444404-06; Fax: 079 26444403,
Email: ahmedabad@mafatlals.com Website: www.mafatlals.com

For Mafatlal Industries Limited

Priyavrata H. Mafatlal

Managing Director
(DIN: 02433237)
Place: Mumbai
Date: May 27, 2024



MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE I TO DIRECTORS' REPORT

OVERVIEW OF THE ECONOMY

In 2023-24, the global economy exhibited remarkable resilience by holding steady growth amid supply chain disruption with ongoing geopolitical tensions. The Russian-Ukraine war and the war situations in other regions also triggered a global energy and food crisis, with a considerable surge in inflation for the short tenure. Despite such challenges, the global economy avoided recession and inflation returned to normal with measures taken by central banks.

Developed economies showcased resilience, as their central banks took proactive measures to stabilize the inflation. Emerging economies except China, have been buoyant with capital inflows, resulting in a surge in equity valuations and ease in financial conditions. Global GDP growth is expected to remain stable at 3.2% for 2024 and 2025. Furthermore, latest projections from the IMF indicate that India is poised to maintain its position as a favorable contributor to global economic growth, despite prevailing global headwinds. Growth in India is projected to remain strong at 6.8% in 2024 and 6.5% in 2025.

India is witnessing robust economic growth driven by continuing strength in domestic demand, a rising working-age population and proactive government policy measures. According to the RBI, domestic economic activity continues to expand at an accelerated pace, supported by fixed investment and improving global environment. The Second Advance Estimates (SAE) placed real GDP growth at 7.6% for 2023-24, the third successive year of 7% or higher growth. On the supply side, Gross Value Added (GVA) expanded by 6.9% in 2023-24. The manufacturing and services sectors turned out to be the key drivers. Real GDP growth for Q3 of financial year 2023-24 was placed at 8.4%, underpinned by strong investment and an improvement in private consumption.

India's trade deficit showed considerable improvement in 2023-24 (April-March). Overall trade deficit for 2023-24 (April-March) is estimated at USD 78.12 Billion as compared to the deficit of USD 121.62 Billion during 2022-23 (April-March), registering a decline of 35.77%.

Despite its relative resilience and continued growth, the country continues to face challenges with the escalation in the geopolitical hostilities, overall slowdown in the global demand and persistent food price pressure from extreme weather-related disturbances. To address these challenges, the Government is actively involved in diplomatic efforts, implementing strategies to enhance the resilience of the external sector and acceleration in private investment spurred by government's continued capex push.

OVERVIEW OF THE BUSINESS

Deeply rooted in a rich heritage and centuries-old legacy, the Indian textile sector stands as a fundamental pillar of the

nation's economy. In India, the domestic apparel and textile industry contributes approx. 2.3% to GDP, 13% to industrial production, and approx. 12% to exports. India has a 4% share of the global trade in textiles and apparel. The overall textiles and apparel industry in India is the second-largest employer in the country providing direct employment to 45 Million people and 100 Million people in allied industries.

The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel, and the industry is diversified with segments like traditional textiles, branded garments, technical textile products, traditional handlooms, handicrafts, wool, and silk products.

India's total textile and apparel exports stood at USD 30.89 Billion in 2023-24 (4% of world market share) compared to USD 32.08 Billion in 2022-23. This includes ready-made garments, cotton, yarn, made-ups, handloom products, and technical textiles etc. The top three textile and apparel exporters are China with 31% market share, and Bangladesh and Germany with 5% market share each, in world trade.

Over the past decade, India's textile industry has witnessed a remarkable growth, propelled by various factors, including proactive Government policies. The Government has approved the establishment of 7 PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme, to develop world-class infrastructure, and plug-and-play facilities, with a budget of ₹ 4,445 Crores. These endeavors align with India's pursuit of United Nations Sustainable Development Goal 9: 'Build resilient infrastructure, promote sustainable industrialization and foster innovation.' This is further driven by the Hon'ble Prime Minister's 5F vision: Farm to Fiber to Factory to Fashion to Foreign.

In our country, various state governments and central government procure goods in a multitude for social welfare schemes running for its citizens, priority sector businesses and low-income groups. These procurement efforts play a pivotal role in the successful implementation of welfare programs and elevating the quality of life for people in various states. Product categories like uniform, health and hygiene products, and IT-enabled infrastructure are a part of essential budgetary allocation for all the state governments.

The Right to Education guarantees free and compulsory education for all children. Thus, under the Samagra Shiksha scheme, the Government is providing two sets of uniform to all girls, and SC/ST and below poverty line (BPL) children.

To promote menstrual hygiene among adolescent girls in the age group of 10-19 years in rural areas, under the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP), Government is providing sanitary napkins at highly subsidized rates to ensure easy availability of the menstrual health services at affordable prices.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

The Government has also increased its focus and budgetary allocation in the education sector. For financial year 2024-25, the net grant under the union budget has increased by ~6% to ₹ 73,008 Crores. Along with the continuing program for establishing ICT labs, Digital classrooms for Government and Aided schools under the centrally sponsored scheme of samagra shiksha, also to promote crucial critical thinking skill and to give space for creativity, Government is working on establishing 750 virtual labs and 75 skilling e-labs.

Additionally, there are various government schemes which provides the various items in the consumer durable category to the lower income groups, constructions workers and anganwadis to support the lower income group.

COMPANY OVERVIEW

Mafatlal Industries Limited (referred to as 'MIL' or 'the Company') primarily operates in textile and related products, digital infrastructure and consumer durable and others. The

PERFORMANCE REVIEW

The total revenue increased by 51%, reaching ₹ 2,142.22 Crores. Additionally, the earnings before interest and depreciation EBITDA amounted to ₹ 109.37 Crores, compared to ₹ 73.89 Crores in the previous financial year.

(₹ in Crores)

Particulars	March 31, 2024 Amount	March 31, 2024 % of Revenue	March 31, 2023 Amount	March 31, 2023 % of Revenue
Revenue from Operations	2,078.41	97%	1,370.52	97%
Other Income	63.81	3%	45.10	3%
Total Revenue	2,142.22	100%	1,415.62	100%
Cost of Material Consumed	150.05	7%	200.57	14%
Purchase of Stock-in-Trade	1,556.12	73%	906.62	64%
Changes in Inventory of Finished Goods, Work-in-Progress and Stock-in-Trade	25.46	1%	(34.61)	(2%)
Employee Benefit Expenses	60.75	3%	52.04	4%
Net Impairment Loss	9.17	0%	5.99	0%
Other Expenses	231.29	11%	211.12	15%
Total Expenses	2,032.84	95%	1341.73	95%
EBITDA	109.37	5%	73.89	5%
Finance Cost	15.34	1%	17.72	1%
Depreciation and Amortization	15.00	1%	15.36	1%
Profit Before Exceptional Items and Tax	79.04	4%	40.81	3%
Exceptional Items	0.00	0%	(0.54)	0%
Profit Before Tax	79.04	4%	40.27	3%
Net Tax Expenses	19.71	1%	(2.79)	0%
Profit for the Year	98.75	5%	37.48	3%



MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Change in Key Financial Ratios and Reasons Thereof

Ratios	2023-24	2022-23	Variance
Debtors' Turnover Ratio	4.49	5.07	(11.44%)
Inventory Turnover Ratio	22.33	15.38	45.19%
Interest Coverage Ratio	6.15	3.3	86.36%
Current Ratio	1.11	1.03	7.77%
Gross Profit Margin (in %)	12.48	14.37	(13.15%)
Net Profit Margin (in %)	4.75	2.73	74.73%
Debt Equity Ratio (in %)	0.1	0.15	(33.33%)
Return on Net Worth (in %)	13.82	5.76	140.80%

During the financial year 2023-24, MIL's key financial ratios exhibited an improvement over the previous year. The Company's debtors' turnover ratio slightly declined from 4.49% in the financial year 2023-24 to 5.07% in 2022-23, reflecting longer credit period. The inventory turnover ratio climbed from 15.38 times in 2023 to 22.33 times in 2023-24, due to increase in revenue indicating swifter inventory movement and optimized inventory management. Additionally, the interest coverage ratio improved from 3.30 in financial year 2023-24 to 6.15 in 2024. This underscores the Company's ability to meet interest obligations more comfortably.

MIL's current ratio strengthened from 1.03 in 2023 to 1.11 in the financial year 2023-24, signaling a relatively better liquidity position with more current assets to cover short-term liabilities. The gross profit margin declined from 14.37% in 2023 to 12.48% in 2024, due to one of the segments having lower margin in sales revenue. Furthermore, the debt-to-equity ratio showed improvement, moving from 0.15 in 2023 to 0.10 in 2024, indicating better management of debt levels. Moreover, MIL's net worth improved, from ₹ 615 Crores in 2023 to ₹ 815 Crores in 2024.

REVENUE FROM OPERATIONS AND OTHER INCOME

The Company witnessed a 51% increase in revenue from operations compared to the previous financial year. This rise in revenue is primarily attributed to a significant upsurge in the execution of institutional tenders.

EBITDA

For the financial year 2023-24, the total EBITDA was ₹ 109.37 Crores compared to the previous year's figure of ₹ 73.89 Crores. This uptick can be attributed to a strategic diversification of the product portfolio and significant increase in revenue.

DEBT

There has been a significant reduction in total debt over the past three consecutive years. MIL repaid a total ₹ 29.15 Crores in long-term debt, which is in the form of rupee-term loans, in line with its repayment schedule. The Company also repaid ₹ 2.5 Crores in long-term debt before maturity to reduce

the finance cost. Furthermore, net short-term borrowings decreased by ₹ 12.8 Crores. The Company maintained borrowings to provide working capital support for its core business operations.

FINANCE COSTS

The finance cost for the financial year 2023-24 was ₹ 15.34 Crores as against ₹ 17.72 Crores for the financial year 2022-23. The reduction in finance costs is primarily on account of repayment of the long-term debt along with the optimum utilization of the working capital limits.

DEPRECIATION

There has been a slight decrease in depreciation to ₹ 15 Crores in the financial year 2023-24 as against ₹ 15.36 Crores in the financial year 2022-23.

EXCEPTIONAL ITEM

For the financial year 2023-24, MIL acknowledged Nil, contrasting with ₹ 0.54 Crores in the financial year 2022-23, as ex-gratia compensation. This payment was designated for employees who opted for retirement during the year and was classified as an exceptional item.

HUMAN RESOURCES AND SAFETY

MIL, with a strong commitment to employee well-being and growth, actively engages its workforce. Through continuous engagement activities and training seminars, the Company fosters an environment that supports both personal and professional development, nurturing a goal-oriented mindset among employees. It also places significant focus on a performance-driven culture, ensuring that talent and merit receive due recognition and are appropriately rewarded. During the past year, the Company began a 'high-potential leadership development training program' aimed at developing future leaders from its middle management team.

The Company maintains its dedication to fostering a safe workplace environment by continuously implementing initiatives and measures to uphold safe work practices. As

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

of March 31, 2024, the Company employed a total of 1,216 permanent employees, reflecting an increase from the previous year's count of 1,121.

OVERVIEW OF PRODUCT PORTFOLIO AND OPERATING PERFORMANCE

MIL's strategic focus is on catering to the growing domestic demand across three key segments: consumer textiles, education-led technology projects, and health and hygiene.

In the consumer textile portfolio, the Company has established its position as a leading supplier of various products, including school uniforms, corporate attire, fashion fabric sold to brands, end-to-end woven and non-woven supply to the hospitals and fabrics sold directly to consumers. The Company is also one of the top voile exporters from India.

MIL remains dedicated to addressing the increasing demand for textiles, especially from rural areas and Tier II/III markets. To achieve this goal, it relies on its extensive network of dealers, totaling over 1000 nationwide. Leveraging its in-house technical expertise within the textile sector, MIL ensures high-quality standards, fosters innovation in new product categories, and maintains swift turnaround times.

The Company capitalizes on its existing supply chain network, strong vendor base and its expertise and capabilities of executing large government orders in the space of textiles, health and hygiene, digital infrastructure, and consumer durables. It is also expanding its reach through various channels, including e-commerce, social media campaigns,

and an extended sales network, with a focus on enhancing its over-the-counter, home furnishing, and hygiene product brands. This includes ready-to-stitch hampers, suiting fabric, bedsheets, baby and adult diapers, and sanitary napkins.

OUTLOOK

MIL remains confident in its ability to sustain growth, especially given the enduring nature of aggregator-business models and recurring business opportunities. Through this model, the Company focuses on generating value, contributing modestly yet significantly to the nation's growth. The Government's persistent support and significant investments in the textile sector are recognized as vital for ensuring market stability. The Company acknowledges current trends, particularly in consumer textile, health, hygiene, and digital infrastructure, aligning its focus with evolving consumer demands. By leveraging a diversified product portfolio to serve institutional and governmental needs, MIL has solidified its market position. Its extensive distribution network for consumer-facing products and robust supply chain further enhances its competitiveness.

Amid changing market dynamics, the Company remains vigilant, actively monitoring external factors like inflation, credit growth, and geopolitical risks to mitigate potential challenges. Furthermore, despite the complexities of the business environment, MIL maintains an optimistic outlook, in both revenue and operating margins 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 year ended March 31, 2024, 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').

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

The system of Code of Governance, especially through the Audit Committee, was followed by the Company for years, even before any such requirement has been legislated. Corporate Governance primarily involves transparency, complete disclosure, independent monitoring of the state of affairs and being fair to all stakeholders. The Company has always believed in the concept of good corporate governance involving transparency, empowerment, accountability, and integrity with a view to enhance stakeholder value.

The Company has formulated several policies and procedures and introduced several governance practices to ensure high 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 consisted of eight Directors during the financial year ended on March 31, 2024. The Board comprises two Executive Promoter Directors and six Non-Executive Independent Directors including one Woman Director. The Board of Directors is headed by Mr. Hrishikesh A. Mafatlal who is the Chairman (Executive Chairman) of the Company.

The Company has obtained the 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 the Regulation 17 of the SEBI Listing Regulations as on March 31, 2024. 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 3, 2023	# No. of Directorship in Public Companies as on March 31, 2024	\$ 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	7	7	Yes	3	1	-
2.	Mr. Priyavrata H. Mafatlal Managing Director (DIN: 02433237)	Promoter Executive	7	7	Yes	2	-	-
3.	Mr. Vilas R. Gupte (DIN: 00011330)	Non-Executive Independent	7	7	Yes	2	2	-
4.	Mr. Pradip N. Kapadia (DIN: 00078673)	Non-Executive Independent	7	7	Yes	6	6	2
5.	Mrs. Latika P. Pradhan (DIN: 07118801)	Non-Executive Independent	7	6	Yes	4	4	2
6.	Mr. Gautam G. Chakravarti (DIN: 00004399)	Non-Executive Independent	7	7	Yes	2	-	-
7.	Mr. Sujal A. Shah (DIN: 00058019)	Non-Executive Independent	7	7	Yes	9	5	1
8.	Mr. Atul K. Srivastava (DIN: 00046776)	Non-Executive Independent	7	7	Yes	3	1	-

Excludes Directorships 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.

CORPORATE GOVERNANCE REPORT (Contd.)

Total number of memberships includes the Committees in which Director is a chairperson.

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.	Mr. Vilas R. Gupte	Non-Executive Independent Director of NOCIL Limited
5.	Mr. Pradip N. Kapadia	Non-Executive Independent Director of: 1. Gokak Textiles Limited 2. Navin Fluorine International Limited
6.	Mrs. Latika P. Pradhan	Non-Executive Independent Director of Teamlease Services Limited
7.	Mr. Gautam G. Chakravarti	None
8.	Mr. Sujal A. Shah	Non-Executive Independent Director of: 1. Amal Limited, till March 31, 2024 2. Hindoostan Mills Limited 3. Deepak Fertilisers and Petrochemicals Corporation Limited 4. Navin Fluorine International Limited 5. Atul Limited 6. NOCIL Limited

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

During the financial year ended March 31, 2024, total 7 (seven) 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:

Sr. No.	Dates on which the Board Meetings Were Held during the financial year 2023-24	Mr. Hrishikesh A. Mafatlal	Mr. Priyavrata H. Mafatlal	Mr. Atul K. Srivastava	Mr. Vilas R. Gupte	Mrs. Latika P. Pradhan	Mr. Pradip N. Kapadia	Mr. Sujal A. Shah	Mr. Gautam G. Chakravarti
1.	May 30, 2023	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	August 2, 2023	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	September 9, 2023	Yes	Yes	Yes	Yes	No*	Yes	Yes	Yes
4.	November 7, 2023	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	December 5, 2023	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	February 5, 2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7.	March 28, 2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Yes - Attended, No - Not Attended

*Leave of absence was granted for the Board Meeting held on September 9, 2023 to Mrs. Latika P. Pradhan.

All such meetings were held physically except those held on September 9, 2023 and December 5, 2023, which were 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 Directors seeking appointment/re-appointment is provided in the notice convening the 110th Annual General Meeting.

Independent Directors' Meeting

Pursuant to provisions of Schedule IV to the Companies Act, 2013, during the year under review, one meeting of Independent Directors was held on March 28, 2024, without the attendance of Non-Independent Directors and members of the Management of the Company.

Mr. Vilas R. Gupte chaired the said meeting. All the Independent Directors remained present at the Meeting wherein the Independent Directors reviewed the performance of the Non-Independent Directors (including Chairperson). The Board as a



CORPORATE GOVERNANCE REPORT (Contd.)

whole and assessed the quality, quantity, and timeliness of the flow of information between the Company, Management and the Board that is necessary for the Board to perform their duties effectively and reasonably.

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.

Details of shareholding of Non-Executive Directors

Names of the Director	Number of Equity Shares of ₹ 2/- each held as of March 31, 2024
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	-

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

Familiarization Program for Independent Directors

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 persons with varied experiences in different areas who bring in the required skills, competence, and expertise that allows them to make 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 Director	Educational Qualification	Corporate Experience in Diverse Fields (years)	Skills/Expertise/Competencies
Mr. Hrishikesh A. Mafatlal	Graduation in Commerce with Honors from Sydenham College, Mumbai and Advance Management Program (AMP) at Harvard Business School, USA.	47	Commercial, Finance, General Management, Domain Industry, Sales and Marketing, Science and 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.	16	Commercial, Finance, General Management, Domain Industry, Sales and Marketing, Science and Information Technology.
Mr. Atul K. Srivastava	B.Sc. (Hons) Physics, FCA.	47	Commercial, Finance including Audit, Accounts, Taxation.
Mr. Vilas R. Gupte	B.Com, FCA.	56	Commercial, Finance including Audit, Accounts, Taxation, General Management.
Mr. Pradip N. Kapadia	B.A., LLB	50	Legal and Advisory.
Mrs. Latika P. Pradhan	FCA, AICWA, ACS and LLB.	43	Commercial, Finance including Audit, Accounts, Taxation.
Mr. Gautam G. Chakravarti	Degree in Physics, Master's in economics, Post Graduate Program in Management from IIM, Ahmedabad.	48	Commercial, General Management and Domain Industry.
Mr. Sujal A. Shah	B. Com, FCA.	33	Commercial, Finance including Audit, Accounts, Taxation, Valuation.

CORPORATE GOVERNANCE REPORT (Contd.)

The Independent Directors of the Company, in the opinion of the Board, fulfil the conditions of independence as specified in the provisions of the Companies Act, 2013 read with the SEBI Listing Regulations and that the Independent Directors are independent of the management of the Company.

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

3. AUDIT COMMITTEE

(a) Constitution of Audit Committee:

The Audit Committee of the Board of Directors of the Company consists of four Directors viz. Mr. Vilas R. Gupte, Mrs. Latika P. Pradhan, Mr. Sujal A. Shah, and Mr. Gautam G. Chakravarti. All members of the Audit Committee are Non-Executive Independent Directors.

Mr. Vilas R. Gupte, Chartered Accountant, is the Chairman of the Audit Committee.

Mr. Amish P. Shah, Company Secretary of the Company acted as Secretary to the 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The composition of the Committee is also in conformity with the said provisions.

(b) Roles and Powers of the Audit Committee:

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.



CORPORATE GOVERNANCE REPORT (Contd.)

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 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; and
- 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).

CORPORATE GOVERNANCE REPORT (Contd.)

(c) Meetings of Audit Committee

During the year under review, five Meetings of the Audit Committee of the Board of Directors of the Company were held; the attendance of the members was as follows:

Sr. No.	Dates on which the Meetings of the Audit Committee were held during the financial year 2023-24	Mr. Vilas R. Gupte	Mrs. Latika P. Pradhan	Mr. Sujal A. Shah	Mr. Gautam G. Chakravarti
1	May 30, 2023	Yes	Yes	Yes	Yes
2	August 2, 2023	Yes	Yes	Yes	Yes
3	November 7, 2023	Yes	Yes	Yes	Yes
4	February 5, 2024	Yes	Yes	Yes	Yes
5	March 28, 2024	Yes	Yes	Yes	Yes

Yes – Attended, No – Not Attended

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Constitution of Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Board of Directors of the Company consisted of three Directors viz. Mr. Pradip N. Kapadia, Mr. Vilas R. Gupte, and Mr. Gautam G. Chakravarti. All of them were Non-Executive Independent Directors of the Company.

Mr. Pradip N. Kapadia is the Chairman of the Committee.

Mr. Amish P. Shah, Company Secretary of the Company acted as Secretary to the 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 II and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended time to time. The composition of the Committee was in conformity with the said provisions.

(b) 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 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 description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to 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 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;



CORPORATE GOVERNANCE REPORT (Contd.)

5. Whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors;
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

(c) Meetings held during the year.

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

Sr. No.	Date on which the Meeting of the Nomination and Remuneration Committee was Held	Mr. Pradip N. Kapadia	Mr. Vilas R. Gupte	Mr. Gautam G. Chakravarti
1.	May 30, 2023	Yes	Yes	Yes

Yes – Attended, No – Not Attended

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 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 2023-24, paid sitting fee 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 2023-24.

CORPORATE GOVERNANCE REPORT (Contd.)

Details of remuneration/sitting fees paid to all Directors

(₹ In Cr)

Sr. No.	Names of Directors	Salary, Allowances, and All Other Prerequisites	Sitting fees	Total
1.	Mr. Priyavrata H. Mafatlal*	2.58	Nil	2.58
2.	Mr. Hrishikesh A. Mafatlal	-	-	-
3.	Mr. Atul K. Srivastava	-	0.06	0.06
4.	Mr. Vilas R. Gupte	-	0.10	0.10
5.	Mr. Pradip N. Kapadia	-	0.09	0.09
6.	Mrs. Latika P. Pradhan	-	0.08	0.08
7.	Mr. Gautam G. Chakravarti	-	0.10	0.10
8.	Mr. Sujal A. Shah	-	0.09	0.09

*Detailed break up for remuneration to Executive Director is provided in **Annexure – C** to Directors' Report.

No bonus or stock options given/provided to any Directors for the financial year 2023-24.

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

Letters of appointment containing terms and conditions including remuneration, were issued to all Executive Directors. Besides, the appointment letters were also issued to all Independent Directors. A copy of the standard terms and conditions thereof is posted on the website at www.mafatlals.com/investors/.

5. STAKEHOLDERS' RELATIONSHIP /INVESTORS' GRIEVANCE COMMITTEE

(a) Constitution of Stakeholders Relationship/Investors Grievance Committee:

The Stakeholders' Relationship / Investors' Grievance Committee of the Board of Directors of the Company consists of Mr. Atul K. Srivastava, Non-Executive Independent Director; Mr. Pradip N. Kapadia, Non-Executive Independent Director and Mr. Hrishikesh A. Mafatlal, Executive Chairman. Mr. Atul K. Srivastava is the Chairman of the said Committee. Mr. Amish P. Shah, Company Secretary and Compliance Officer of the Company acted as Secretary to the Committee.

(b) 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 include 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.

(c) Meeting held during the year:

During the financial year 2023-24, one meeting of the Committee was held and attendance of the Directors was given below:

Sr. No.	Date of the Stakeholders' Relationship Committee Meeting	Mr. Atul K. Srivastava	Mr. Pradip N. Kapadia	Mr. Hrishikesh A. Mafatlal
1.	March 28, 2024	Yes	Yes	Yes

Yes: Attended, No: Not Attended.

The terms of reference of the Committee inter-alia, include resolving the grievances of the security holders of the Company including complaints related to transmission of shares, non-receipt of annual report, issue of new/duplicate certificates, general meetings etc., reviewing measures taken for effective exercise of voting rights by shareholders;



CORPORATE GOVERNANCE REPORT (Contd.)

reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Company's Registrar & Share Transfer Agent (RTA).

The Board of Directors of the Company reviewed the stakeholders'/investors' grievances, if any, at the end of every quarter. The terms of reference of the Committee were as mentioned in the provisions of Section 178 of the Companies Act, 2013, read with Regulation 20 and Part D (B) of the SEBI (LODR) Regulations, 2015.

The details of complaints received from stakeholders from April 01, 2023 to March 31, 2024, are as follows:

- Number of shareholders complaints received: 16
- Complaint not resolved to the satisfaction of shareholders: Nil
- Number of pending complaints (as of March 31, 2024): 1

(d) Particulars of Senior Management

Sr. No.	Name	Designation
1.	Mr. Milan Shah	Chief Financial Officer (CFO)
2.	Mr. M. B. Raghunath	Chief Executive Officer (CEO)
3.	Mr. Amish Shah	Company Secretary (CS)
4.	Mr. Gaurav Gupta	Vice President (Marketing)
5.	Ms. Smita Jhanwar	Vice President (Corporate Finance and Strategy)*

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

* Promoted as Vice President from Sr. General Manager.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**(a) Constitution of Corporate Social Responsibility Committee:**

The CSR Committee of the Board of Directors of the Company consists of three Directors viz. Mr. Hrishikesh A. Mafatlal, Chairman, Mr. Sujal A. Shah, Non-Executive Independent Director and Mr. Atul Srivastava, Non-Executive Independent Director.

Mr. Hrishikesh A. Mafatlal is the Chairman and Mr. Amish P. Shah, Company Secretary of the Company acted as Secretary to the Committee.

(b) Roles 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 guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of annual plan for implementation of CSR. On recommendations of the Committee, based on the reasonable justifications to that effect, 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.

(c) Meeting held during the year:

There is no CSR obligation hence, no meeting of the Committee was held during the financial year.

7. SHARE ALLOTMENT COMMITTEE**(a) Constitution of Share Allotment Committee:**

The Share Allotment Committee of the Board of Directors of the Company consisted of three Directors viz. Mr. Hrishikesh A. Mafatlal, Chairman, Mr. Priyavrata H. Mafatlal, Managing Director and Mr. Pradip N. Kapadia, Non-Executive Independent Director.

Mr. Hrishikesh A. Mafatlal is the Chairman of the Committee.

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

CORPORATE GOVERNANCE REPORT (Contd.)

The Role of the Committee is to issue and allotment 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) Meeting held during the year-

During the financial year 2023-24, three meetings of the Committee were held, and attendance of the Directors was given below

Sr. No.	Date of the Share Allotment Committee meeting	Mr. Hrishikesh A. Mafatlal	Mr. Priyavrata H. Mafatlal	Mr. Pradip N. Kapadia
1	August 2, 2023	Yes	Yes	Yes
2	November 7, 2023	Yes	Yes	Yes
3	February 5, 2024	Yes	Yes	Yes

Yes: Attended, No: Not Attended.

8. GENERAL BODY MEETINGS

i) Details of 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, 3 rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	12.00 PM	109 th Annual General Meeting held on August 3, 2023	Yes (1)
2	301-302, Heritage Horizon, 3 rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	12.00 PM	108 th Annual General Meeting held on July 30, 2022	Yes (1)
3.	301-302, Heritage Horizon, 3 rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009 [Through Video Conferencing or Other Audio- Visual Means (VC/OAVM)]	12.00 PM	107 th Annual General Meeting held on July 30, 2021	Yes (3)

ii) Resolutions passed through Postal Ballot – details of voting pattern and the procedure thereof:

During the financial year 2023-24, no special resolution was passed through postal ballot.

iii) Whether any Special Resolution is proposed to be conducted through Postal ballot: No

iv) The postal ballot, whenever conducted, will be carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

v) Meetings convened in pursuance of an order passed by the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench:

During the year, pursuant to an order dated December 19, 2023, passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ('NCLT') in the Company Scheme Application CA (CAA) No. 61 (AHM) 2023, a separate meeting of the shareholders, the secured creditors and the unsecured creditors of the Company was called. All three meetings were convened and conducted through Video Conferencing (VC) facility / Other Audio-Visual Means (OAVM) to consider and approve the 'Scheme of Arrangement between Mafatlal Industries Limited (the 'Company') and its Shareholders for reduction and re-organization of capital of the Company (the 'Scheme')'. The details of the meetings are as given below:



CORPORATE GOVERNANCE REPORT (Contd.)

Meeting type	Day, Date, and Time	Quorum Decided by NCLT	Members / Creditors Attended	Remote e-Voting	Insta Poll
Shareholders' meeting	Wednesday, January 24, 2024 at 11.00 a.m.	50	97	86	38
Secured creditors' meeting	Wednesday, January 24, 2024 at 1.00 p.m.	3	5	5	-
Unsecured creditors' meeting	Wednesday January 24, 2024 at 2.00 p.m.	30	68	194	3

Voting results:

Particulars	Shareholders' Meeting		Secured Creditors' Meeting		Unsecured Creditors' Meeting	
	Number of Members	Number Of Votes	Number of Creditors	Amount in ₹ Crores	Number of Creditors	Amount in ₹ Crores
Name of the scrutinizer	CS Hitesh Buch, Hitesh Buch & Associates, Company Secretaries					
Date of report of the scrutinizer and declaration of results	January 24, 2024					
Valid Votes	124 #	53,260,900	5	122.89	197	384.04
Voted in favor	121	53,260,765	5	122.89	197	384.04
Voted against	2	135	-	-	-	-
Percentage (%) in favor		100.00% *		100.00% *		100.00% *
Percentage (%) against		0.00% *		0.00% *		0.00% *
Invalid votes	NIL					

* rounded off

1 shareholder holding 170 equity shares abstained from voting.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench ('Hon'ble Tribunal' / 'NCLT') vide its order dated April 29, 2024, has approved the Scheme of Arrangement between Mafatlal Industries Limited ('Company') and its shareholders for reduction and reorganization of the Capital of the Company under Section 230 and other applicable provisions of the Companies Act, 2013 ('Act') ('Scheme') with the Appointed Date / Effective Date as March 31, 2024. Subsequent to the order, the Company has filed an interlocutory application on May 6, 2024, seeking modification to the said order with a plea to reinstate the Appointed Date as April 1, 2022, in line with the Scheme. Once the order pursuant to such application is passed by the NCLT, the Company shall give effect to the Scheme in the books of accounts.

The scheme related documents and the Hon'ble National Company Law Tribunal, Ahmedabad Bench order is available on investors section of the Company's website.

9. MEANS OF COMMUNICATION**i) Quarterly, half-yearly, and annual results:**

The unaudited quarterly/ half yearly results are announced within forty-five days of the close 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 Listing Regulations.

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 Centre of BSE. Additionally, the results are also displayed on the Company's website at www.mafatlals.com/investors/.

ii) Newspapers wherein results 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.

CORPORATE GOVERNANCE REPORT (Contd.)

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 its website at 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.

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.

10. GENERAL SHAREHOLDER INFORMATION:

i) Annual General Meeting:

110th Annual General Meeting of the Company will be held on Friday, August 2, 2024, at 3.30 p.m. through video conferencing/ Other Audio Visual Means. However, for the purpose of record/jurisdiction, the deemed venue would 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 2024-25 (tentative):

Quarter ending June 30, 2024	August, 2024
Quarter ending September 30, 2024	October, 2024
Quarter ending December 31, 2024	February, 2025
Year ending in March 31, 2025	May, 2025
Annual General Meeting	July / August, 2025

iii) Period of book closure:

Saturday July 27, 2024 to Friday August 2, 2024.

iv) Dividend:

While Company has made profit during the year, the Board of Directors regret its inability to declare dividend in view of past accumulated losses. It may be noted that the Company has filed Scheme of the Arrangement ("Scheme") between the Company and its Shareholders for reduction and reorganization of capital of the Company wherein the past accumulated losses will be adjusted against various items of Reserves in the Balance Sheet. Your attention is drawn to para captioned 'Scheme of the Arrangement for capital reduction and capital reorganization' for more details.

v) 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 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 2023-24 to BSE Limited.



CORPORATE GOVERNANCE REPORT (Contd.)

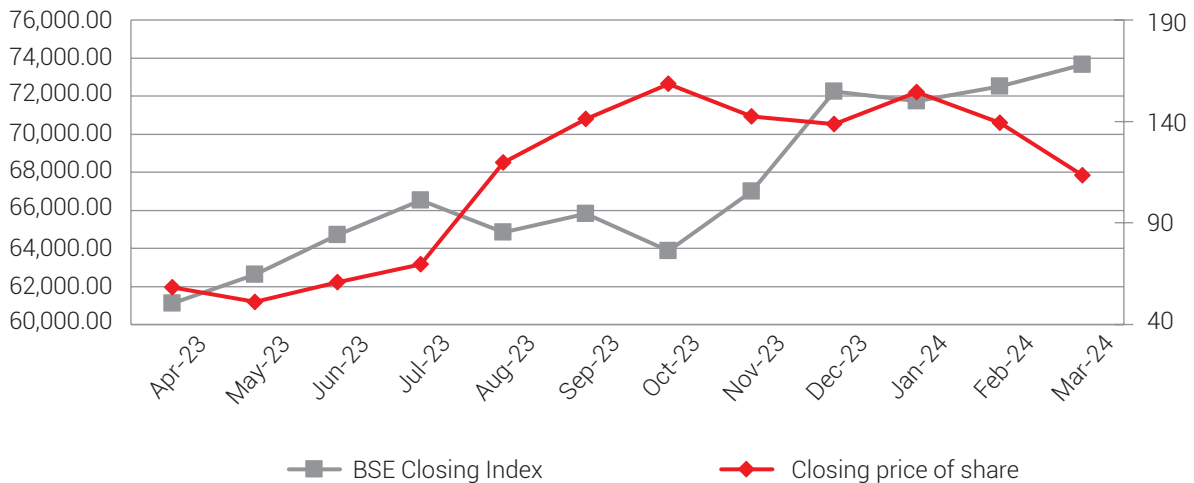
vi) Stock code:

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

vii) Market price data:

Month	High in ₹	Low in ₹	Sensex		No. of Trades
			High	Low	
Apr-23	59.50	41.09	61,209.46	58,793.08	2,488
May-23	59.47	49.50	63,036.12	61,002.17	2,353
Jun-23	64.00	50.13	64,768.58	62,359.14	2,937
Jul-23	73.90	58.90	67,619.17	64,836.16	4,967
Aug-23	120.31	68.01	66,658.12	64,723.63	28,519
Sep-23	162.40	119.00	67,927.23	64,818.37	19,881
Oct-23	173.00	141.85	66,592.16	63,092.98	17,293
Nov-23	161.90	141.25	67,069.89	63,550.46	7,039
Dec-23	159.30	134.05	72,484.34	67,149.07	7,012
Jan-24	160.00	136.00	73,427.59	70,001.60	6,909
Feb-24	160.00	135.60	73,413.93	70,809.84	14,719
Mar-24	143.50	97.20	74,245.17	71,674.42	14,133

(Source: This information is compiled from the data available from the website of BSE)

viii) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.: BSE – Closing Index Vs. Closing Price of Share (April 2023 to March 2024):**ix) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof:**

Not applicable.

x) Registrar and Share Transfer Agent:

M/s. Kfin Technologies Limited

Selenium Tower B, Plot No. 31&32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032

E-mail: einward.ris@kfintech.com

Website: www.kfintech.com

xi) Share Transfer System:

As per Regulation 40 of the Listing Regulations, 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. Any Director of the Company or the Company Secretary is empowered to approve transfers.

CORPORATE GOVERNANCE REPORT (Contd.)

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.

xii) Distribution of Shareholding as on March 31, 2024:

Sr. No.	Category (Shares)	Number of Holders	% Holders	Number of shares	% Equity
1.	1 – 50	48,218	77.78	7,66,576	1.07
2.	51 – 500	11,194	18.06	18,55,998	2.60
3.	501 – 1000	1,060	1.71	8,57,212	1.20
4.	1001 – 2000	678	1.09	10,69,746	1.50
5.	2001 – 3000	274	0.44	6,98,690	0.98
6.	3001 – 4000	107	0.17	3,84,431	0.54
7.	4001 – 5000	109	0.18	5,25,859	0.74
8.	5001 – 10000	155	0.25	11,58,859	1.62
9.	10001 and above	195	0.31	6,41,85,559	89.77
	TOTAL:	61,990	100.00	7,15,02,930	100.00

xiii) Shareholding Pattern:

Shareholding Pattern as on March 31, 2024

Sr. No.	Category	Number of Shares held	% of holding
1.	Promoter and Promoter Group	5,00,22,470	69.96
2.	Mutual Funds / UTI	200	0.00
3.	Banks	27,218	0.04
4.	Foreign Institutional Investors (FIIS)	6,05,000	0.85
5.	Bodies Corporate	30,59,866	4.28
6.	Indian Public	1,34,20,051	18.77
7.	Investor Education and Protection Fund	8,87,845	1.24
8.	Non-resident Indians	5,37,984	0.75
9.	Others (Trust, NBFC, Insurance Company etc.)	29,42,296	4.11
	Total	7,15,02,930	100.00

xiv) 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, 2024, 27,358 shareholders holding 7,04,64,910 equity shares have dematerialized their shares which constitutes 98.55% 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.

xv) 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.

xvi) 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.



CORPORATE GOVERNANCE REPORT (Contd.)

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 of 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.

xvii) 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 finds 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.

xviii) 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)

xix) 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. 022- 46052082 E-mail: mumbaimfd@kfintech.com	Kfin Technologies Limited (RTA) Office No. 401 on 4 th Floor, ABC-I, Off. C.G. Road, Ahmedabad-380009. Contact No.: 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, 3 rd Floor, off. C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: 079 26444404-06, Fax: 079 26444403 Email: ahmedabad@mafatlals.com Website: www.mafatlals.com	Mafatlal House, 5 th Floor, H.T. Parekh Marg, Backbay Reclamation, Mumbai – 400020. Telephone: +91-22-6617 3636. Fax No: +91-22-6635 7633.

CORPORATE GOVERNANCE REPORT (Contd.)

xx) Credit ratings:

The Company has obtained its credit rating from:

(Amount ₹ in Crores)

Acuit Ratings and Research Limited			
Dated	Facilities	Amount	Rating
April 14, 2023	Long Term Rating	136.50	ACUITE BBB / Stable (Outlook revised from 'Positive'); (Upgraded)
	Short Term Rating	59.50	ACUITE A3+ (Upgraded)
	Total	96.00	
CARE Ratings Limited			
August 3, 2023	Long-Term Rating	114.70	CARE BBB /Outlook Stable (Upgraded)
	Long- / Short-Term Rating	39.50	Assigned CARE BBB; Outlook Stable; CARE A3+
	Long-/ Short-Term Rating	59.50	CARE BBB; Stable; CARE A3+ (Upgraded)
	Short-Term Bank Facilities	10.00	CARE A3+ (Upgraded)
	Total	223.70	

xxi) 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 of any matter related to the capital markets during the last three years and the Company has complied with the requirements of regulatory authorities on capital markets.

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 Listing Regulations read with the amended SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has devised 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 have 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 said Act 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.

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.



CORPORATE GOVERNANCE REPORT (Contd.)

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

The Company does not have 'material subsidiary'. The policy for determining material subsidiary is posted on the Company website at www.mafatlals.com/investors/.

g) Web link where policy on dealing with related party transactions: www.mafatlals.com/investors/.**h) 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 1,19,000 (1st Grant), 35,000 (2nd Grant) and 7,51,500 (3rd Grant) equity shares of ₹ 2/- each under the Mafatlal Employee Stock Option Scheme 2017 issued at ₹ 64.54, ₹ 15.73 and ₹ 36.20 each share, respectively.

i) 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.**j) The Board of Directors accepted all recommendation from all the Committees of the Board during the financial year 2023-24.****k) 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	0.32
Limited Reviews	0.12
Certification Fees	0.01
Re-imbursment 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.

l) Disclosures with respect to IEPF, Demat suspense account/ unclaimed suspense account:

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 ₹ 7,69,458/- for the financial year 2015-16 was transferred to the IEPF. In terms of Section 124(6) of the Companies Act, 2013, the Company has transferred 44,517 equity shares of ₹ 10/- each (total 2,22,585 equity shares of ₹ 2/- each) of 6,864 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.

Suspense Escrow Demat Account	No of shares and shareholders
Non-receipt of demat request from the investor within 90 days of issuance of the Letter of Confirmation by Registrar and Share Transfer Agent ('RTA') for transfer of shares request. (In terms of SEBI Circular dated December 12, 2020)	Nil
Non-receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA for transmission / name deletion request. (In terms of SEBI Circular dated January 25, 2022)	765 equity shares of ₹ 2/- each from 17 shareholders

*Opening Balance- Nil. During the year, no shareholder has approached the Company for the transfer of shares from the suspense account to his / her account.

m) 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 para C to F of the SEBI Listing Regulations.

CORPORATE GOVERNANCE REPORT (Contd.)

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.

n) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints pending at the beginning of the financial year (April 1, 2023): **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, 2024): **NIL**
- e. The Company laid down a procedure to inform Board Members about the risk assessment and risk mitigation mechanisms, periodically reviewed and reported to the Board of Directors by senior executives.

o) 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 2023-24.

p) Familiarization Program of Independent Directors:

The Board familiarization program comprises the following:

- Induction program for new Independent Directors;
- Presentation on business and functional issues
- Updates on business, investor relations, corporate governance etc.,

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company by providing various presentations at Board/Committee meetings from time to time. The details of the Familiarization programs can be accessed on the website of the Company at www.mafatlals.com under 'investors' section.

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

The Board of Directors laid down a Code of Conduct for all Board Members and members of the senior management.

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.

r) 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.

s) Online Dispute Resolution Portal:

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 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.



CORPORATE GOVERNANCE REPORT (Contd.)

- 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
- 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>

t) 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.

u) Management Discussion and Analysis:

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

v) 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 Committee at the beginning of the year on a quarterly basis.

w) 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.

x) 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 Listing Regulations (b) quarterly certification on the financial results to the Board in terms of Listing Regulations.

y) 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 27, 2024

Regd. Office:

Mafatlal Industries Limited

(CIN L17110GJ1913PLC000035)

301-302, Heritage Horizon, 3rd Floor, off. C. G. Road, Navrangpura, Ahmedabad 380009.

Tel: 079 – 26444404-06; Fax: 079 26444403,

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 year ended March 31, 2024.

M. B. Raghunath

Chief Executive Officer (CEO)

Place: Mumbai

Date: May 27, 2024

Regd. Office:

Mafatlal Industries Limited

(CIN L17110GJ1913PLC000035)

301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road, Navrangpura, Ahmedabad 380009.

Tel: 079 – 26444404-06; Fax: 079 26444403

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 2023-24 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 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 year.
 - II. There are no significant changes in the Accounting Policies during the year, and
 - III. There are no instances of significant fraud of which they have become aware.

For **Mafatlal Industries Limited**

Place: Mumbai

Date: May 27, 2024

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 agreements dated April 25, 2024 and May 17, 2024.
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, 2024 (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"). We have initialed the Statement for identification purposes only.

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 SEBI Listing Regulations, 2015, 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 27, 2024. 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.

RESTRICTIONS ON USE

12. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the obligations under SEBI Listing Regulations, 2015. Our Deliverable to be annexed with the Directors' Report should not be used by any other person or for any other purpose. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are 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 during 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 issued solely at the request of the Board of Directors of the Company and is addressed to the members of the Company. It shall be used only to be annexed with the Directors' Report and 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 other person to whom this certificate is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Place: Mumbai
Date: May 27, 2024

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 24102022BKFNZC1871



ANNEXURE III TO DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MAFATAL 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 **Mafatal 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, 2024 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 March 31, 2024 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)**

SECRETARIAL AUDIT REPORT (Contd.)

- (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.

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.

In terms of the provisions of section 230 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the board of director of the Company in its meeting held on 14/11/2022 had approved the scheme of arrangement with its shareholders for the purpose of reduction and reorganization of share capital of the Company.

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, has approved the scheme vide its order dated 29th April, 2024.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
COP No.: 2924
Peer Review No.: 766/2020
UDIN: F004411F000454872

Date: May 27, 2024
Place: Ahmedabad



To,

The Members,

MAFATAL 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: F004411F000454872

Date: May 27, 2024

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-380009

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, 2024 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 Company
1	Mr. Gautam Gangaprasad Chakravarti	00004399	May 30, 2015
2	Mr. Hrishikesh Arvind Mafatlal	00009872	May 3, 1979
3	Mr. Vilas Raghunath Gupte	00011330	May 30, 2013
4	Mr. Atul Kumar Srivastava	00046776	October 10, 2012
5	Mr. Sujal Anil Shah	00058019	May 30, 2015
6	Mr. Pradip Narotam Kapadia	00078673	May 30, 2013
7	Mr. Priyavrata Hrishikesh Mafatlal	02433237	November 1, 2016
8	Mrs. Latika Prakash Pradhan	07118801	April 17, 2015

Ensuring the eligibility of 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: F004411F000454938

Date: May 27, 2024
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, 2024, 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, 2024, 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 standalone 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 reorganization of capital (the 'Scheme') with an Appointed/ Effective date of March 31, 2024, against which the Company has 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 NCLT order with respect to the interlocutory application is awaited. The Company proposes to give the accounting effect prescribed in the Scheme on receiving the approval for the aforesaid interlocutory application from the NCLT.

Our opinion is not modified in respect of this matter.

Key audit matters

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
<p>Assessment of impairment of Property, Plant and Equipment:</p> <p>[Refer Note 3(a) in the standalone financial statements]</p> <p>The carrying value of Property, Plant and Equipment (Assets) is ₹ 79.77 Crores as at March 31, 2024 which is significant to the Standalone Balance Sheet.</p> <p>The Management has assessed the indications for impairment of Assets considering internal and external sources of information, as per Ind AS 36 – Impairment of Assets. For the purposes of impairment testing, the carrying value of the Assets was compared to the recoverable amount of the Assets. The Company has applied fair value less costs of disposal method in determining the recoverable value of the Assets. The Management has engaged an external registered valuer to determine the fair value of immovable properties, and the</p>	<p>We have performed audit procedures which included the following:</p> <ul style="list-style-type: none"> • Obtained understanding, evaluated and tested the design and operating effectiveness of the Company's relevant controls relating to impairment assessment including determining recoverable value of Assets. • Examined the report issued by the external registered valuer engaged by the Management. • Evaluated the independence, competence, capabilities and objectivity of the external registered valuer engaged by the Management for valuation of immovable properties. • Engaged auditor's valuation experts to assess appropriateness of valuation methodology. • Tested the accuracy and appropriateness of input data. • Evaluated the reasonableness of assumptions applied by Management, in determining the fair value of other assets.



INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matter	How our audit addressed the key audit matter
<p>determination of fair value of other assets involved Management's assumptions, judgement and estimates. Based on the assessment, the Management has concluded that no impairment was required as of March 31, 2024.</p> <p>The assessment of impairment of the Assets is considered to be a key audit matter as the assessment involves significant judgement, involvement of valuation experts and estimates made by the Management.</p>	<ul style="list-style-type: none"> • Verified the mathematical accuracy of underlying calculations of recoverable amount and compared with the carrying value of Assets. • Performed sensitivity analysis over the key assumptions, to assess the range of possible outcomes for recoverable value of Assets and the potential impact on impairment results. • Evaluated the adequacy of the presentation and disclosures of the Assets made in the financial statements. <p>Based on the above procedures performed by us, we found the Management's assessment of carrying value of Assets to be reasonable.</p>

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 will 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 identified above when it becomes available 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 the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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

9. 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.

10. 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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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.
11. 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.
12. 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.

13. 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

14. 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.
15. 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 matter stated in paragraph 15(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 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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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



INDEPENDENT AUDITOR'S REPORT (Contd.)

matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the 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 standalone financial statements – Refer Notes 43 and 50 to the standalone financial statements.

ii. The Company was not required to recognize a provision as at March 31, 2024 under the applicable law or 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, 2024.

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, as disclosed in Note 53(vi) to the standalone financial statements, 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;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed

in the Note 53(vi) to the standalone financial statements, 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; 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 Company has not declared or paid any dividend during the year.

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 audit trail was not available in case of modification with certain specific functionality in the application and for direct database changes. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.

16. 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: 24102022BKFNYW7808

Place: Mumbai

Date: May 27, 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(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, 2024

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 the standalone financial statements of Mafatlal Industries Limited ("the Company") as of March 31, 2024 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 deemed to be prescribed 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 standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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



ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT (Contd.)

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, an 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, 2024, 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: 24102022BKFNYW7808

Place: Mumbai

Date: May 27, 2024

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14 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, 2024

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.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment 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 a leasehold land of gross and net book value of ₹ 0.08 Lakhs, where the Company is in the process of getting the expired lease renewed. (Refer Note 4 to the standalone financial statements).
- (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) Based on the information and explanations furnished to us, 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 (excluding goods in transit) 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.
- (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 granted unsecured loans to employees. The aggregate amount during the year is ₹ 0.03 crore and balance outstanding at the balance sheet date with respect to such loans is ₹ 0.01 crore. The Company has not made any investments, 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 loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid 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 aforesaid 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.
- iv. The Company has not granted any loans or provided



ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

- any guarantees or security to the parties covered under Sections 185 and 186. In our opinion, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments 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 certain 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, except for dues in respect of employees' state insurance and duty of excise, the Company is regular in depositing undisputed statutory dues, including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess, goods and services tax and other material 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, 2024, 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

- (b) There are no statutory dues of employees' state insurance, provident fund, goods and services tax 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, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount unpaid (₹ in Crores)#	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Central Excise	0.13	1998-2000, 2002-2003	Supreme Court
Central Excise Act, 1944	Central Excise	0.39	1989-1990 to 2003-2004	Commissioner of Central Excise (Appeals)-Nadiad, Gujarat
Central Excise Act, 1944	Central Excise	0.08	1999-2000	Commissioner of Central Excise-Nadiad, Gujarat
Central Excise Act, 1944	Central Excise	0.81	1997-1999	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)-Nadiad, Gujarat
Central Excise Act, 1944	Central Excise	29.15	2007-2008 to 2009-2010	Gujarat High Court
Central Excise Act, 1944	Central Excise	0.01	2006-2011	Assistant Commissioner of Central Excise-Nadiad, Gujarat
Customs Act, 1944	Customs Duty	0.05	1989-1990 to 1999-2000	Joint Director General of Foreign Trade-Mumbai, Maharashtra
Bombay Sales Tax Act, 1959	Sales Tax	0.23	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II-Mumbai, Maharashtra
Central Sales Tax Act, 1956	Central Sales Tax	0.01	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II-Mumbai, Maharashtra
Finance Act, 1994	Service Tax	0.01	1997-1999	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)-Nadiad, Gujarat

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the statute	Nature of dues	Amount unpaid (₹ in Crores)#	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1.39	Assessment Year 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-Mumbai, Maharashtra

Net of amount paid under protest

Also refer Note 43 to the standalone financial statements.

- 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 utilized 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 subsidiary.
- (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 subsidiary.
- 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 such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under



ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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.
- 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 45-1A 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) Based on the information and explanations provided by the management of the Company, the Group [as defined in the Core Investment Companies (Reserve Bank) Directions, 2016] does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. 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 (Also refer Note 52 to the standalone financial statements), ageing and expected dates of realization 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.
- 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: 24102022BKFNYW7808

Place: Mumbai

Date: May 27, 2024

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	79.77	91.02
Right-of-use assets	3(b)(i)	0.42	0.74
Investment properties	4	2.09	2.34
Intangible assets	5	3.32	0.71
Financial assets			
i. Investment in subsidiary	6(A)(a)	0.28	0.28
ii. Other investments	6(A)(b),(B),(C)	631.47	522.88
iii. Trade receivables	10	1.07	-
iv. Other financial assets	7	3.55	6.95
Deferred tax assets (net)	36(e)	14.93	4.98
Other non-current assets	8	0.53	0.70
Current tax assets (net)	36(g)	20.55	16.21
Total non-current assets		757.98	646.81
Current assets			
Inventories	9	79.92	106.24
Financial assets			
i. Trade receivables	10	638.10	285.86
ii. Cash and cash equivalents	11	182.24	48.83
iii. Bank balances other than (ii) above	12	85.36	24.24
iv. Loans	13	0.01	0.02
v. Other financial assets	14	16.94	20.54
Other current assets	15	45.88	42.46
Assets held for sale	16	-	0.01
Total current assets		1,048.45	528.20
TOTAL ASSETS		1,806.43	1,175.01
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	14.30	14.12
Other equity	18		
i. Reserves and surplus		218.61	117.34
ii. Other reserves		581.65	483.17
Total equity		814.56	614.63
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	27.19	26.15
ii. Lease liabilities	3(b)(ii)	0.17	0.38
iii. Other financial liabilities	20	19.68	19.69
Other non-current liabilities	21	2.76	0.95
Total non-current liabilities		49.80	47.17
Current liabilities			
Financial liabilities			
i. Borrowings	22	54.48	67.45
ii. Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises; and		6.92	13.32
- total outstanding dues of creditors other than micro enterprises and small enterprises		758.81	357.51
iii. Lease liabilities	3(b)(ii)	0.29	0.37
iv. Other financial liabilities	24	77.93	34.00
Provisions	25	12.20	12.65
Other current liabilities	26	31.44	27.55
Advance received against assets held for sale (net)		-	0.36
Total current liabilities		942.07	513.21
Total liabilities		991.87	560.38
TOTAL EQUITY AND LIABILITIES		1,806.43	1,175.01

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

H. A. Mafatlal
Chairman
(DIN: 00009872)

P. H. Mafatlal
Managing Director
(DIN: 02433237)

M. P. Shah
Chief Financial Officer

A. P. Shah
Company Secretary

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024



STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	27	2,078.41	1,370.52
Other income	28	23.66	22.07
Other gains / (losses) (net)	29	40.15	23.03
Total income		2,142.22	1,415.62
EXPENSES			
Cost of materials consumed		150.05	200.57
Purchases of stock-in-trade		1,556.12	906.62
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	25.46	(34.61)
Employee benefits expense	31	60.75	52.04
Finance costs	32	15.34	17.72
Depreciation and amortization expense	33	15.00	15.36
Net impairment loss on financial assets	10,14,39	9.17	5.99
Other expenses	34	231.29	211.12
Total expenses		2,063.18	1,374.81
Profit before exceptional items and tax		79.04	40.81
Exceptional items	35	-	(0.54)
Profit before tax		79.04	40.27
Tax expense	36(a)		
- Current tax		-	-
- Deferred tax (credit) / charge		(19.71)	2.79
Total tax expense		(19.71)	2.79
Profit for the year		98.75	37.48
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified to profit or loss, net of tax</i>			
- Changes in fair value of FVOCI equity instruments	18	98.48	(108.76)
- Remeasurements of post-employment benefit obligations charge	41	(1.01)	(2.34)
Total Other Comprehensive Income for the year		97.47	(111.10)
Total Comprehensive Income for the year		196.22	(73.62)
Earnings per equity share of ₹ 2/- each	46		
Basic (₹)		13.92	5.32
Diluted (₹)		13.75	5.28

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report attachedFor Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

For and on behalf of the Board of Directors

Pankaj Khandelia
Partner
Membership Number: 102022H. A. Mafatlal
Chairman
(DIN: 00009872)P. H. Mafatlal
Managing Director
(DIN: 02433237)M. P. Shah
Chief Financial OfficerA. P. Shah
Company SecretaryPlace: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 01, 2022		14.07
Changes in equity share capital during the year	17	0.05
As at March 31, 2023		14.12
Changes in equity share capital during the year	17	0.18
As at March 31, 2024		14.30

B. Other equity

Particulars	Attributable to owners of Mafatal Industries Limited										Total		
	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	ESOP Reserve		Export Profit Reserve	Other Reserves FVOCI - Equity Instruments
As at April 1, 2022	176.27	(226.45)	0.61	0.35	36.34	6.20	83.83	0.76	0.02	0.76	0.20	592.99	671.88
Profit for the year	-	37.48	-	-	-	-	-	-	-	-	-	-	37.48
Other comprehensive income	-	(2.34)	-	-	-	-	-	-	-	-	-	(108.76)	(111.10)
Total comprehensive income	-	35.14	-	-	-	-	-	-	-	-	-	(108.76)	(73.62)
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	1.92	-	-	1.92
Transfer of realized gain on FVOCI Equity Instruments to Retained Earnings	-	1.06	-	-	-	-	-	-	-	-	-	(1.06)	-
Employee share options exercised	0.45	-	-	-	-	-	-	-	-	(0.12)	-	-	0.33
As at March 31, 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

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 27, 2024

H. A. Mafatal

Chairman

(DIN: 00009872)

Place: Mumbai

Date: May 27, 2024

P. H. Mafatal

Managing Director

(DIN: 02433237)

Place: Mumbai

Date: May 27, 2024

M. P. Shah

Chief Financial Officer

Place: Mumbai

Date: May 27, 2024

A. P. Shah

Company Secretary

Place: Mumbai

Date: May 27, 2024

For and on behalf of the Board of Directors



STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flows from operating activities		
Profit before exceptional items and tax	79.04	40.81
Adjustments for:		
Employee share-based payment expense	0.17	1.92
Depreciation and amortization expense	15.00	15.36
Finance costs	15.34	17.72
Net gain on disposal of property, plant and equipment, investment properties and assets held for sales	(30.88)	(18.50)
Net gain on sale of subsidiary [Refer Note 49(a)]	-	(3.62)
Net gain from sale of development right certificates	(9.27)	-
Interest income	(5.08)	(2.05)
Apportioned income from Government grants	(0.74)	(1.02)
Dividend income from equity investments designated at fair value through other comprehensive income	(7.59)	(7.59)
Rental income from investment properties	(4.04)	(3.12)
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(4.85)	(4.65)
Bad debts written off	1.67	1.41
Advances written off	0.96	0.27
Loss allowance on financial assets	7.50	4.58
Net unrealized exchange loss / (gain)	0.09	(0.53)
Operating profit before working capital changes	57.32	40.99
Changes in working capital		
Adjustments for:		
Decrease / (Increase) in inventories	26.32	(34.28)
Increase in trade and other receivables	(363.34)	(56.24)
Increase in trade and other payables	444.32	47.15
Decrease in provisions	(1.80)	(1.80)
	105.50	(45.17)
Cash generated from / (used in) operations	162.82	(4.18)
Direct taxes paid (net of refund received)	(4.00)	(1.61)
Exceptional items	-	(0.54)
Net cash inflow / (outflow) from operating activities (A)	158.82	(6.33)
B. Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(6.02)	(15.26)
Payments for investment properties	-	(0.16)
Purchase of investments	-	(0.10)
Proceeds from sale of investment properties	10.43	7.88
Proceeds from sale of property, plant and equipment / assets held for sale	20.50	7.75
Proceeds from sale of investments	-	1.44
Proceeds from sale of subsidiary	-	4.07
Proceeds from sale of development right certificates	9.27	-
Term deposits (placed) / matured with banks (net)	(57.74)	13.31
Interest income received	4.76	2.20
Dividend received from equity investments designated at fair value through other comprehensive income	7.59	7.59
Rental income from investment properties	4.04	3.12
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	4.85	4.65
Net cash (outflow) / inflow from investing activities (B)	(2.32)	36.49

STANDALONE STATEMENT OF CASH FLOWS (Contd.)
(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash flows from financing activities		
Proceeds from issues of equity shares	3.54	0.38
Non-current borrowings taken	30.00	1.70
Non-current borrowings repaid	(29.15)	(16.40)
Current borrowings taken / (repaid) (net)	(12.79)	(3.53)
Principal element of lease payment	(0.30)	(0.09)
Interest paid on lease liabilities	(0.08)	(0.04)
Interest paid (including other finance costs)	(14.31)	(16.21)
Net cash outflow from financing activities (C)	(23.09)	(34.19)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	133.41	(4.03)
Cash and cash equivalents at the beginning of the year	48.83	52.86
Cash and cash equivalents at the end of the year	182.24	48.83

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, 2024	As at March 31, 2023
Cash on hand	0.06	0.05
Balances with banks:		
(i) In Current accounts	157.18	28.78
(ii) In Deposit accounts with original maturity of less than 3 months	25.00	20.00
	182.24	48.83

Non-cash investing activities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right-of-use assets	-	0.85

Note:

The above Standalone 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 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

H. A. Mafatlal
Chairman
(DIN: 00009872)

P. H. Mafatlal
Managing Director
(DIN: 02433237)

M. P. Shah
Chief Financial Officer

A. P. Shah
Company Secretary

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

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 products, 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 amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective from April 01, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8

- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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. The Company has used the following useful lives to provide depreciation on its property, plant and equipment:

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

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

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) for the 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.

Refer Note 2B(vii) for the 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) for the 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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised 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 amortised 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 in the Standalone 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,
- Amortised 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 Standalone Statement of Profit and Loss where FVOCI option is chosen. Dividends from such investments continue to be recognized in the Standalone 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 Standalone 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 Standalone 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 amortised cost (e.g. trade receivables, other contractual rights to receive cash or other financial assets). The impairment

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 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 ageing of days, the receivables due and the expected credit loss rate. Further, the Company 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 amortised cost is calculated using the effective interest rate method and is recognized in the Standalone 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 Standalone 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(xii) for the other accounting policies below relevant to investments 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 amortised 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 Standalone 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 Standalone 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.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 Standalone 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 Standalone 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 Standalone Statement of Profit and Loss in a subsequent period.

Defined contribution plan

The Company contributes towards Employees State Insurance Scheme, Superannuation Fund and Provident Fund for certain employees, which are defined contribution schemes.

Refer Note 2B(xvii) for the other accounting policies below relevant to Employee benefits.

2.1 Critical estimates and judgements

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 judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement 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 judgements 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 judgements are:

- Estimation of useful life of property, plant and equipment: Notes 2A(iv), 2B(v) and 3(a)
- Estimated useful life of intangible assets: Notes 2A(v), 2B(vii) and 5
- Loss Allowance on trade receivables: Refer Notes 11 and 39
- Recoverability of deferred tax assets: Refer Note 36(e)
- Estimation of defined benefit obligation: Refer Note 41
- Contingent Liabilities: Refer Note 43
- Impairment of assets: Refer Note 2A(vii)

Estimates and judgements 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 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 Standalone 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 Standalone 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 Standalone 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 Standalone 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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 Standalone 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 Standalone 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 Standalone 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 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) for the 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 Standalone 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

estimate being accounted for on a prospective basis.

Refer Note 2A(v) for the 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) for the 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 Standalone 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 amortised 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 Standalone Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Standalone 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 Standalone 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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 Standalone Statement of Profit and Loss.

Fair Value hierarchy

The judgements 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 amortised 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 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 amortised 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 amortised 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 Standalone 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 Standalone Statement of Profit and Loss.
- Measured at fair value through profit or loss (FVPL):

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Assets that do not meet the criteria for amortised 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) for the 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 Standalone 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 amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Standalone 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 Standalone 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 Standalone 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.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

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 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 Standalone Statement of Profit and Loss.

The obligations are presented as current liabilities in the Standalone 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 Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Standalone Statement of Changes in Equity and in the Standalone 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) for the material accounting policies above relevant to Employee benefits.

xviii. *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.

xix. *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.

xx. *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.

xxi. *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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)**

operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

xxii. Exceptional Items

Exceptional items 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.

xxiii. 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

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers and hardware	Railway sidings	Total
Year ended March 31, 2023									
I. Gross carrying amount									
Opening gross carrying amount	0.05	16.51	132.96	2.75	2.33	5.41	0.31	*	160.32
Additions	-	3.78	7.28	0.36	2.74	0.32	0.41	-	14.89
Disposals	*	*	(3.62)	-	(0.62)	-	-	-	(4.24)
Closing gross carrying amount	0.05	20.29	136.62	3.11	4.45	5.73	0.72	*	170.97
II. Accumulated depreciation									
Opening accumulated depreciation	-	2.32	58.25	1.23	1.49	4.20	0.07	-	67.56
Depreciation charge during the year (Refer Note 33)	-	0.67	12.44	0.25	0.34	0.32	0.16	-	14.18
Disposals	-	*	(1.30)	-	(0.49)	-	-	-	(1.79)
Closing accumulated depreciation	-	2.99	69.39	1.48	1.34	4.52	0.23	-	79.95
III. Net carrying amount (I - II)	0.05	17.30	67.23	1.63	3.11	1.21	0.49	*	91.02
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

Notes:

- Refer Note 48(a) for information on property, plant and equipment pledged as security by the Company.
 - Refer Notes 21, 26 and 47 for government grants related to property, plant and equipment.
 - 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 favour of the lessee) are held in the name of the Company (Also refer Notes 3(b), 4 and 16).
 - The Company has not capitalised any borrowing cost in the current and previous year.
- * Amount is below the rounding off norm adopted by the Company.

Ageing of Capital Work-in-Progress (CWIP) and Completion schedule for CWIP whose completion is overdue or has exceeded its cost compared to its original plan:

As at March 31, 2024 and as at March 31, 2023, there are no projects in progress as well as projects temporarily suspended.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 3(b) - Leases**(i) Right-of-Use Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount - Buildings		
Opening gross carrying amount	0.85	-
Additions	-	0.85
Disposals	-	-
Closing gross carrying amount	0.85	0.85
II. Accumulated depreciation - Building		
Opening accumulated depreciation	0.11	-
Depreciation charge during the year (Refer Note 33)	0.32	0.11
Disposals	-	-
Closing accumulated depreciation	0.43	0.11
III. Net carrying amount (I - II)	0.42	0.74

(ii) Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities		
Current	0.29	0.37
Non-current	0.17	0.38
Total	0.46	0.75

(iii) Amounts recognized in the Standalone Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets - Buildings (Refer Note 33)	0.32	0.11
Interest expense (included in finance costs) (Refer Note 32)	0.08	0.04
Expense relating to short-term leases (included in other expenses) (Refer Note 34)	0.01	0.11
Total	0.41	0.26

(iv) Non-cash investing activities during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right-of-use assets	-	0.85
Total	-	0.85

(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, 2024 was ₹ 0.39 (March 31, 2023: ₹ 0.23) (including short term lease payments).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 4 - Investment Properties

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount		
Opening gross carrying amount	2.74	2.59
Additions	-	0.16
Transfer to assets held for sale (Refer Note 16)	-	(0.01)
Disposals	(0.01)	*
Closing gross carrying amount	2.73	2.74
II. Accumulated depreciation		
Opening accumulated depreciation	0.40	0.23
Depreciation charge during the year (Refer Note 33)	0.25	0.17
Transfer to assets held for sale (Refer Note 16)	-	*
Disposals	(0.01)	*
Closing accumulated depreciation	0.64	0.40
III. Net carrying amount (I - II)	2.09	2.34

(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, 2024	Year ended March 31, 2023
Income from investment properties [Refer Note 28]	8.89	7.77
Direct operating expenses towards income from investment properties that generated income	(5.96)	(6.04)
Profit from investment properties before depreciation	2.93	1.73
Depreciation (Refer Note 33)	(0.25)	(0.17)
Profit from investment properties	2.68	1.56

(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 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, 2024	As at March 31, 2023
Within one year	2.85	2.87
Later than one year but not later than five years	3.42	3.34
Total	6.27	6.21

(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, 2024	As at March 31, 2023
Investment properties	73.38	72.29

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, 2023: ₹ 0.08 Lakhs).



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 5 - Intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount		
Opening gross carrying amount	6.53	6.33
Additions	3.39	0.20
Closing gross carrying amount	9.92	6.53
II. Accumulated depreciation		
Opening accumulated amortization	5.82	4.92
Amortization during the year (Refer Note 33)	0.78	0.90
Closing accumulated amortization	6.60	5.82
III. Net carrying amount (I - II)	3.32	0.71

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

Note 6 - Non-current investments

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Investment in equity instruments (fully paid)		
(a) Subsidiaries - Measured at cost		
Unquoted		
2,72,800 (March 31, 2023: 2,72,800) equity shares of ₹ 100/- each of Mafatlal Services Limited	0.28	0.28
Total (I)	0.28	0.28
(b) Other Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2023: 79,920) equity shares of ₹ 10/- each of Stanrose Mafatlal Investments and Finance Limited	0.61	0.64
2,000 (March 31, 2023: 2,000) equity shares of ₹ 10/- each of Mangal Credit & Fincorp Limited	0.02	0.02
2,52,59,059 (March 31, 2023: 2,52,59,059) equity shares of ₹ 10/- each of NOCIL Limited \$\$	629.71	521.09
Unquoted		
45,000 (March 31, 2023: 45,000) equity shares of ₹ 10/- each of Cama Hotels Limited **	@	@
1,600 (March 31, 2023: 1,600) equity shares of ₹ 10/- each of Hybrid Financial Services Limited \$**	@	@
116 (March 31, 2023: 116) equity shares of ₹ 10/- each of Anil Bioplus Limited	@	@
12,40,000 (March 31, 2023: 12,40,000) equity shares of ₹ 10/- each of Mafatlal Global Apparel Limited	@	@
13,350 (March 31, 2023: 13,350) equity shares of ₹ 10/- each of Matcon Export Enterprises Limited ###	@	@
2,320 (March 31, 2023: 2,320) equity shares of ₹ 10/- each of Anil Limited @@	@	@
100 (March 31, 2023: 100) equity shares of ₹ 10/- each of Arlabs Limited	@	@
15,000 (March 31, 2023: 15,000) equity shares of ₹ 10/- each of Cellulose Products of India Limited ##	@	@
10 (March 31, 2023: 10) equity shares of ₹ 25/- each of Universal Dyestuff Industries Limited @@	@	@
5,870 (March 31, 2023: 5,870) equity shares of ₹ 100/- each of SLM Maneklal Industries Limited **	@	@

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
30,000 (March 31, 2023: 30,000) equity shares of ₹ 10/- each of Mafatlal Medical Devices Limited @@@	@	@
92,500 (March 31, 2023: 92,500) equity shares of ₹ 100/- each of Janata Sahakari Bank Limited ####	0.93	0.93
100 (March 31, 2023: 100) equity shares of ₹ 25/- each of Shamrao Vithal Co-Operative Bank Limited ####	@	@
5 (March 31, 2023: 5) Shares of ₹ 50/- each of Sea - Face Park Co-op Housing Society Limited	@	@
26,16,670 (March 31, 2023: 26,16,670) equity shares of ₹ 10/- each of Ibiza Industries Limited ***@@	@	@
39,76,002 (March 31, 2023: 39,76,002) equity shares of ₹ 10/- each of Sunanda Industries Limited *@@	@	@
1,46,364 (March 31, 2023: 1,46,364) equity shares of ₹ 100/- each of Mafatlal Engineering Industries Limited ##	@	@
147 (March 31, 2023: 147) equity shares of AED 1,000/- each of Al Fahim Mafatlal Textiles LLC ##	@	@
17,500 (March 31, 2023: 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 amortised cost		
Government securities [Face value of ₹ 0.03 (March 31, 2023: ₹ 0.03)] have been lodged with various authorities **	0.03	0.03
(C) Investment in debentures and bonds		
Unquoted - At amortised cost		
1,65,000 (March 31, 2023: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	@	@
2,050 (March 31, 2023: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited: 11% - Series IV #	@	@
Total (II)	631.47	522.88
Total (I)+(II)	631.75	523.16

\$ Not held in the name of the Company since acquired on Amalgamation.

\$\$ 73,91,360 (March 31, 2023: 58,81,357) 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, 2023: 17,96,002 equity shares) were not available for verification.

** Not available for physical verification.

*** 13,50,000 (March 31, 2023: 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, 2023: 9,50,000) equity shares not available for physical verification / confirmation not available; currently under liquidation.

2,050 (March 31, 2023: 2,050) nos. - Not available for physical verification.

Not available for physical verification / confirmation not available; currently under liquidation.

8,000 (March 31, 2023: 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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	630.34	521.75
Aggregate amount of unquoted investments	1.41	1.41
Total	631.75	523.16

Note 7 - Non-current - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered good</i>		
Security deposits	3.13	3.15
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	0.42	3.27
(ii) Other term deposits	-	0.53
Others	*	*
Total	3.55	6.95

Note: There are no financial assets as on March 31, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

Note 8 - Non-current - Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered good</i>		
Capital advances	-	0.17
Deposits with government authorities	0.53	0.53
Total	0.53	0.70

Note 9 - Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	0.56	1.25
Work-in-progress	35.16	31.59
Finished goods	10.74	15.21
Stock-in-trade	28.88	32.62
Stock-in-trade in transit	0.85	21.67
Packing Material	0.88	0.66
Stores and spares	2.84	3.23
Others (Land) [Refer Note 50 (ii)]	0.01	0.01
Total	79.92	106.24

Amounts recognized in the Standalone Statement of Profit and Loss:

Inventory write downs / write back are accounted, considering the nature of inventory, ageing and net realisable value. Write down of inventories amounted to ₹ 4.33 (March 31, 2023: Write-back of ₹ 0.14) were recognized as an expense/ write back during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in the Standalone Statement of Profit and Loss.

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, 2024	As at March 31, 2023
Trade receivables from contract with customers - billed	662.61	303.77
Trade receivables from contract with customers - unbilled [^]	2.02	-
Trade receivables from contract with customers - related parties	0.50	0.55
Less : Loss Allowance (Refer Note 39)	(25.96)	(18.46)
Total	639.17	285.86
Current	638.10	285.86
Non-current	1.07	-

Break up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	656.45	295.64
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	8.68	8.68
Total	665.13	304.32
Loss allowance (Refer Note 39)	(25.96)	(18.46)
Total	639.17	285.86

[^] 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.

Ageing 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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Ageing of Trade receivables as at March 31, 2023

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	-	151.22	111.31	7.94	5.97	4.26	14.94	295.64
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								
(i) considered good	-	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	8.68	8.68
Total	-	151.22	111.31	7.94	5.97	4.26	23.62	304.32
Loss allowance on trade receivables								(18.46)
Total								285.86

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, 2024	As at March 31, 2023
Cash on hand	0.06	0.05
Balances with banks:		
(i) In Current accounts	157.18	28.78
(ii) In Deposit accounts with original maturity of less than 3 months	25.00	20.00
Total	182.24	48.83

Note 12 - Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with remaining maturity of less than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	78.51	19.63
(ii) Other term deposits	6.78	4.45
In earmarked accounts:		
(i) Unclaimed dividend accounts	0.05	0.14
(ii) Balances in Escrow Current accounts (Refer Note below)	0.02	0.02
Total	85.36	24.24

Note:

Balance in Escrow Current account of ₹ 0.02 (March 31, 2023: ₹ 0.02) is operated under the supervision of the Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

Note 13 - Current loans

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees	0.01	0.02
Total	0.01	0.02

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, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 14 - Current - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, considered good unless otherwise stated</i>		
Security deposits		
Considered good	15.18	19.54
Considered doubtful	2.64	2.64
	17.82	22.18
Less: Loss allowance on deposits (Refer Note 39)	(2.64)	(2.64)
	15.18	19.54
Export incentives / Government grant receivable	1.61	0.83
Interest accrued on deposits with banks	0.03	0.05
Other receivables	0.12	0.12
Total	16.94	20.54

Note: There are no financial assets as at March 31, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

Note 15 - Current - Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, considered good</i>		
Prepaid expenses	3.27	1.31
Balances with government authorities	18.05	20.13
Advance to suppliers	24.56	20.82
Others	-	0.20
Total	45.88	42.46

Note 16 - Assets held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Assets classified as held for sale		
Buildings - [Refer Note 4]	-	0.01
Total	-	0.01

Note 17 - Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
(i) Authorised				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights [Refer Note 17(8) below]	35,00,00,000	70.00	35,00,00,000	70.00
Preference shares of ₹ 10/- each	3,00,00,000	30.00	3,00,00,000	30.00
(ii) Issued				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights	7,15,02,930	14.30	7,05,97,430	14.12
(iii) Subscribed and fully paid up				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights	7,15,02,930	14.30	7,05,97,430	14.12
Less: Allotment money/ Calls in arrears	-	*	-	*
Total	7,15,02,930	14.30	7,05,97,430	14.12



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(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, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	7,05,97,430	14.12	1,40,71,386	14.07
Add: Sub-division of equity shares during the year [Refer Note 17(8) below]	-	-	5,62,85,544	-
	7,05,97,430	14.12	7,03,56,930	14.07
Add: Shares issued during the year [see Note 17(5)(ii) below]	9,05,500	0.18	2,40,500	0.05
Outstanding at the end of the year	7,15,02,930	14.30	7,05,97,430	14.12

(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, 2023: ₹ 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, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares:				
H. A. Mafatlal	6,992	0.01%	1,12,06,120	15.87%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.92%	-	-
NOCIL Limited	97,73,475	13.67%	97,73,475	13.84%
Sumil Trading Private Limited	2,70,91,630	37.89%	2,70,91,630	38.37%

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, 2024			As at March 31, 2023		
	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	*	0.00%	500	*	(9.29%)
H. A. Mafatlal as a Trustee of Gurukripa Trust	500	*	0.00%	500	*	0.00%
H. A. Mafatlal as a Trustee of Karuna Trust	33,90,576	4.74%	678015.20%	500	*	0.00%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.92%	1561810.40%	500	*	0.00%
Rekha H. Mafatlal as a Trustee of Radha Raman Trust	500	*	0.00%	500	*	0.00%
Aarti M. Chadha	7,45,900	1.04%	0.00%	7,45,900	1.06%	0.00%
H. A. Mafatlal as a Trustee of Shrija Trust	500	*	0.00%	500	*	0.00%
H. A. Mafatlal	6,992	0.01%	(99.94%)	1,12,06,120	15.87%	(3.13%)
Anjali K. Agarwal	8,87,150	1.24%	0.00%	8,87,150	1.26%	0.00%
P. H. Mafatlal	500	*	0.00%	500	*	(3.99%)
KSJ Trading Private Limited	1,11,525	0.16%	0.00%	1,11,525	0.16%	0.00%
NOCIL Limited	97,73,475	13.67%	0.00%	97,73,475	13.84%	(0.05%)
Sumil Trading Private Limited	2,70,91,630	37.89%	0.00%	2,70,91,630	38.37%	16.21%
Shri H. A. Mafatlal Public Charitable Trust No 1	1,20,640	0.17%	0.00%	1,20,640	0.17%	0.00%
Seth Navinchandra Mafatlal Foundation Trust No 1	82,530	0.12%	0.00%	82,530	0.12%	0.00%
	5,00,22,470	69.96%		5,00,22,470	70.86%	

* % 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 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, 2024	As at March 31, 2023
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.

(8) Pursuant to the approval of the shareholders of the Company on November 07, 2022 through postal ballot ("e-voting"), each equity share of face value of ₹ 10/- per share was sub-divided into five equity shares of face value of ₹ 2/- per share, with effect from the record date, i.e., November 25, 2022.

* 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 18 - Reserves and surplus

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	181.48	176.72
Retained Earnings	(92.51)	(190.25)
General Reserve	6.20	6.20
Capital Reserve No.1	0.61	0.61
Capital Reserve No. 2	0.35	0.35
Capital Reserve on Amalgamation	36.34	36.34
Capital Redemption Reserve	83.83	83.83
Capital Investment Reserve	0.76	0.76
Investment Reserve	0.02	0.02
ESOP Reserve	1.33	2.56
Export Profit Reserve	0.20	0.20
Other Reserves:		
FVOCI - Equity instruments	581.65	483.17
Total	800.26	600.51

(i) Securities Premium

Securities Premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	176.72	176.27
Add: Movement during the year	4.76	0.45
Balance at the end of the year	181.48	176.72

(ii) Retained Earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(190.25)	(226.45)
Add: Profit for the year	98.75	37.48
Less: Other comprehensive income	(1.01)	(2.34)
Add: Transfer of realized gain on FVOCI Equity Instruments to Retained Earnings	-	1.06
Balance at the end of the year	(92.51)	(190.25)

(iii) General Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	6.20	6.20
Add: 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 utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.61	0.61
Add: Movement during the year	-	-
Balance at the end of the year	0.61	0.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.35	0.35
Add: Movement during the year	-	-
Balance at the end of the year	0.35	0.35

(vi) Capital Reserve on Amalgamation

The said reserve has arisen out of amalgamation with 'Mafatlal Denim Limited'

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	36.34	36.34
Add: Movement during the year	-	-
Balance at the end of the year	36.34	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, 2024	As at March 31, 2023
Balance at the beginning of the year	83.83	83.83
Add: Movement during the year	-	-
Balance at the end of the year	83.83	83.83

(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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.76	0.76
Add: 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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.02	0.02
Add: Movement during the year	-	-
Balance at the end of the year	0.02	0.02

(x) ESOP Reserve

The said reserve has arisen on account of ESOP scheme announced by the Company.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.56	0.76
Add: Employee share-based payment expense (Refer Note 38)	0.17	1.92
Less: Employee share options exercised during the year	(1.40)	(0.12)
Balance at the end of the year	1.33	2.56



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(xi) Export Profit Reserve

The said reserve has arisen due to amalgamation with the Mafatlal Fine Spinning and Manufacturing Co. Ltd.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.20	0.20
Add: 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, 2024	As at March 31, 2023
Balance at the beginning of the year	483.17	592.99
Add: Change in fair value of FVOCI equity instruments	98.48	(108.76)
Less: Transfer of gain on FVOCI equity instruments to Retained Earnings	-	(1.06)
Balance at the end of the year	581.65	483.17

Also refer Note 49(b).

Note 19 - Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii) (iii) and (iv) below]	26.13	23.47
(b) For vehicle loans [Refer Note no.(v) below]	1.06	1.44
(c) From financial institutions [Refer Note no.(vi) below]	-	1.24
Total	27.19	26.15

During the year, the term loan from consortium of two banks was taken over by lead bank, the details of which are included in (i) and (ii) below:

(i) Term loan from a Bank, aggregating to ₹ 7.88 (March 31, 2023: ₹ 11.46).	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 11.50% p.a. (March 31, 2023: 11.50% p.a.).
(ii) Term loan from a Bank, aggregating to ₹ 8.16 (March 31, 2023: ₹ 11.46).	Repayable in 32 monthly installments beginning from September 2023 till April 2026. The rate of interest for the year was in the range of 10.00% p.a. to 11.50% p.a. (March 31, 2023: 11.50% p.a.). This loan was taken over by lead bank during the year.
(iii) Term loan from a Bank, amounting to ₹ 19.83 (March 31, 2023: ₹ NIL).	Repayable in 84 monthly installments beginning from April 2024 till March 2031. The rate of interest for the year was @ 10.00% p.a. (March 31, 2023: NIL).
- All the above term loans are secured by mortgage of an immovable asset (buildings) measuring 14,670 sq. ft. (March 31, 2023: 14,670 sq. ft.) of Mafatlal House at Mumbai	

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iv) Term loan from a Bank, amounting to ₹ 6.87 (March 31, 2023: ₹ 14.90) 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 4,59,542 (March 31, 2023: 12,38,500) shares of NOCIL Limited and a lien on term deposit. (Also Refer Note 12)	Repayable in 8 quarterly installments beginning from June 2023 till March 2025. The rate of interest for the year was in the range of 10.50% p.a. to 11.60% p.a. (March 31, 2023: 10.80% p.a.).
(v) Loans from a Bank, amounting to ₹ 1.44 (March 31, 2023: ₹ 1.79) 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 8.40 % p.a. to 9.65 % p.a. (March 31, 2023: 7.00% p.a. to 8.40% p.a).
(vi) Term loan from a financial institution, amounting to ₹ NIL (March 31, 2023: ₹ 3.72) was secured by charge on movable property, plant and equipment acquired out of said loan and pledge by promoters / promoter companies of certain shareholding in the Company and a lien on term deposit. (Also Refer Note 7)	The term loan was repaid in October 2023. The rate of interest for the year was @ 10.50 % p.a. (March 31, 2023: 10.20 % p.a. to 10.50 % p.a.).

The amounts mentioned include installments falling due within a year aggregating to ₹ 16.99 (March 31, 2023: ₹ 17.18) which have been grouped under "Current Borrowings" [Refer Note 22].

For Liquidity risk information, refer Note 39.

Note 20 - Non-current - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Trade / Security deposits	3.92	3.93
Advances received against legal matters (Refer Note below)	12.92	12.92
Interest accrued and not due on advance received against legal matters [Refer Note 50(i)]	2.84	2.84
Total	19.68	19.69

Note: Out of the above, advances for ₹ 5.78 (March 31, 2023: ₹ 5.78), Refer Note 50(i).

Note 21 - Non-current - Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred income on Government Grant (Refer Note 47)	0.41	0.95
Contract liabilities - Unearned revenue [Refer Note 26(a)]	2.35	-
Total	2.76	0.95

Note 22 - Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From Banks		
Working Capital loans*	-	14.88
Current loans against properties **	37.42	35.33
Current maturities of long-term debt (Refer Note 19)		
(i) From Banks	16.61	14.35
(ii) For vehicle loans	0.38	0.35
(iii) From financial institutions	-	2.48
Interest accrued but not due on borrowings	0.07	0.06
Total	54.48	67.45



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 ₹ 24.95 (March 31, 2023: ₹ 19.37) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2023: 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 10.75% p.a. to 11.50% p.a. (March 31, 2023: 11.00% p.a. to 13.45% p.a.).

** Current loans against properties from a bank aggregating to ₹ 12.47 (March 31, 2023: ₹ 15.96) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2023: 3,66,392 sq. mtr) which is repayable on demand and carry an interest in the range of 10.00% p.a. to 11.00% p.a. (March 31, 2023: 10.35% p.a. to 12.50% p.a.).

* Working Capital loans from banks aggregating to ₹ NIL (March 31, 2023: ₹ 14.88) are secured by first and second charge on certain stocks and book debts, both present and future, of the Company, charge on certain property, plant and equipment of the Company, pledge of 69,31,818 (March 31, 2023: 46,42,857) 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 9.55% p.a. to 11.50% p.a. (March 31, 2023: 9.00% p.a. to 13.45% p.a.).

For Liquidity risk information, refer Note 39.

Refer Note 48(b) for net debt reconciliation.

Note 23 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	6.92	13.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	758.72	357.33
Trade Payables to related parties (Refer Note 42)	0.09	0.18
Total	765.73	370.83

Ageing 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Ageing of Trade Payables as at March 31, 2023

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	3.20	3.64	6.48	-	-	-	13.32
(ii) Others	33.10	135.16	161.74	8.76	9.76	8.99	357.51
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	36.30	138.80	168.22	8.76	9.76	8.99	370.83

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, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.78	10.12
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.06	0.31
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	16.98	21.78
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	4.08	2.89

Note 24 - Current - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividends (Refer Note below)	0.05	0.14
Trade Deposits	73.34	30.28
Employee benefits payable	4.54	3.58
Total	77.93	34.00

Note: There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 25 - Current provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	5.00	4.32
(ii) Provision for Gratuity (Refer Note 41)	7.20	8.33
Total	12.20	12.65

Note 26 - Current - Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	2.47	2.49
Contract liabilities [Refer Note 26(a) below]		
(i) Advance from customers	21.25	23.19
(ii) Unearned revenue	0.86	-
Deferred income on Government Grant (Refer Note 47)	0.54	0.74
Refund liabilities [Refer Note 26(b) below]	5.34	-
Others	0.98	1.13
Total	31.44	27.55

Note 26(a) - Revenue recognized in relation to contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue recognized that was included in contract liabilities at the beginning of the period	20.27	4.68

Note: There has been no significant change in contract liabilities.

Note 26(b): Refund Liabilities include:

- (i) Customer refund liabilities for discount payable to customers of ₹ 3.24.
- (ii) Liquidated damages provided on contractual terms when delivery have exceeded or are likely to exceed the delivery terms of ₹ 2.10.

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of Products	2,042.48	1,345.73
Sale of Services	26.73	19.85
Total Revenue from Contract with Customers (A)	2,069.21	1,365.58
Other operating revenue		
Income from waste / scrap sale	1.62	1.63
Processing income	5.94	2.10
Duty drawback and other export incentives	1.64	1.21
Total other operating revenue (B)	9.20	4.94
Total Income [(A) + (B)]	2,078.41	1,370.52

- (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, 2024	Year ended March 31, 2023
Contract price	2,081.52	1,373.76
Adjustments for:		
Discounts and rebates	(7.97)	(7.78)
Liquidated damages	(4.34)	(0.40)
Total Revenue from contract with customers	2,069.21	1,365.58

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Disaggregation of revenue from contracts with customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The Company derives revenue from the transfer of goods and services in the following geographical regions:		
India	2,032.77	1,328.62
Asia (Excluding India)	34.99	34.45
Others	1.45	2.51
Total Revenue from contract with customers	2,069.21	1,365.58

(iv) The Company derives revenue from the transfer of following goods and services :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Textile and related products	1,546.92	1,320.46
Digital infrastructure	130.12	45.12
Consumer durables and others	392.17	-
Total Revenue from contract with customers	2,069.21	1,365.58

Note 28 - Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on:		
(i) Financial assets at amortised cost		
Term deposits	3.37	1.82
Others	1.37	0.23
(ii) Income tax refund	0.34	1.63
Rental income from investment properties	4.04	3.12
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	4.85	4.65
Dividend income from equity investments designated at fair value through other comprehensive income	7.59	7.59
Apportioned income from Government grants #	0.74	1.02
Miscellaneous income	1.36	2.01
Total	23.66	22.07

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, 2024 (Refer Note 47).

Note 29 - Other gains / (losses)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on disposal of property, plant and equipment, investment properties and assets held for sale [Refer Notes 3(a), 4 and 16]	30.88	18.50
Net gain from sale of development right certificates	9.27	-
Net gain on sale of subsidiary [Refer Note 49(a)]	-	3.62
Net foreign exchange differences	-	0.91
Total	40.15	23.03



NOTES FORMING PART OF THE STANDALONE 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, 2024	Year ended March 31, 2023
Inventories at the end of the year		
Finished goods	10.74	15.21
Work-in-progress	35.16	31.59
Stock-in-trade (Traded goods)	29.73	54.29
Sub-total (A)	75.63	101.09
Inventories at the beginning of the year		
Finished goods	15.21	8.82
Work-in-progress	31.59	30.75
Stock-in-trade (Traded goods)	54.29	26.91
Sub-total (B)	101.09	66.48
Total (B - A)	25.46	(34.61)

Note 31 - Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus, etc.	51.81	42.17
Contributions to provident and other funds [Refer Note 41(ii)(a)]	4.43	3.90
Gratuity expense (Refer Note 41)	1.73	1.55
Staff welfare expenses	2.61	2.50
Employee share-based payment expense (Refer Note 38)	0.17	1.92
Total	60.75	52.04

Note 32 - Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on financial liabilities measured at amortised cost and lease liabilities:		
Interest on borrowings	7.89	12.05
Interest on trade payables	2.88	2.81
Interest on lease liabilities	0.08	0.04
Interest - others	0.31	-
Other borrowing costs	4.18	2.82
Total	15.34	17.72

Note 33 - Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment [Refer Note 3(a)]	13.65	14.18
Depreciation of right-of-use assets [Refer Note 3(b)(i)]	0.32	0.11
Depreciation on investment properties (Refer Note 4)	0.25	0.17
Amortization on intangible assets (Refer Note 5)	0.78	0.90
Total	15.00	15.36

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, 2024	Year ended March 31, 2023
Consumption of stores and spare parts	34.75	36.71
Processing charges	7.78	10.94
Power and fuel	44.79	53.38
Repairs and maintenance		
Buildings	2.74	1.75
Machinery	1.29	2.75
Others	3.24	3.03
Insurance (net)	0.81	0.59
Lease rent #	0.01	0.11
Sales commission	5.05	3.31
Rates and taxes	5.26	3.25
Sub-contracting and distribution charges	70.79	54.06
Transport and freight charges (net)	19.97	14.07
Donations and Charities	0.02	*
Bad Debts written off	1.67	1.41
Less: Allowances there against	(1.67)	(1.41)
Advances written off	0.96	0.27
Legal and professional fees	10.18	8.65
Payments to auditors [Refer Note 34(a)]	0.46	0.50
Directors' fees [Refer Note 42]	0.52	0.67
Net foreign exchange differences	0.09	-
Miscellaneous expenses	22.58	17.08
Total	231.29	211.12

* Amount is below the rounding off norm adopted by the Company.

Lease rent expense pertains to short-term leases.

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to the auditors		
As auditor :		
Statutory audit fees	0.32	0.32
Limited reviews	0.12	0.12
Certifications fees	0.01	0.05
Reimbursement of expenses	0.01	0.01
Total	0.46	0.50

Note 35 - Exceptional Items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee severance cost comprising voluntary retirement scheme at Nadiad and Navsari [Refer Note below]	-	0.54
Total	-	0.54

Note: The Company during the previous year had recognized ₹ 0.54 as expense towards compensation payable as full and final settlement to its remaining workers at Navsari location which had been disclosed as an exceptional item.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 36 - Taxation**36(a) - Tax expense**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	25.168%	25.168%
Current tax on Profits for the year	-	-
Total current tax	-	-
Deferred tax (credit) / charge		
(Increase) / decrease in deferred tax assets	(13.32)	9.26
Decrease in deferred tax liabilities	(6.39)	(6.47)
Total deferred tax (credit) / charge	(19.71)	2.79
Total tax expense	(19.71)	2.79

36(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year	79.04	40.27
Statutory income tax rate applicable to Mafatlal Industries Limited	25.168%	25.168%
Tax expense at applicable tax rate	19.89	10.14
Tax effects of amounts which are (deductible) / taxable in calculating taxable income:		
Permanent difference on sale of property, plant and equipment, investments and investment properties and development right certificates	(8.39)	(4.10)
Unrecognized deferred tax for tax losses and other temporary differences	1.63	0.88
Expenses not deductible for tax purposes	0.42	0.38
Income for the year set off against brought forward losses	(13.28)	(6.74)
Differential tax rate due to opting for new regime	-	2.17
Deferred tax recognized for unabsorbed depreciation	(19.71)	-
Others	(0.27)	0.06
Income tax expense as per the Standalone Statement of Profit and Loss	(19.71)	2.79

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.

36(e) - Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Loss allowance on trade receivables and deposits (net)	7.20	5.31
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	6.96	7.39
Unabsorbed depreciation	14.59	2.39
Total deferred tax assets	28.75	15.09
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(3.72)	(10.11)
Change in fair value of FVOCI equity instruments	(10.10)	-
Deferred tax assets (net)	14.93	4.98

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Movement in deferred tax assets / (liabilities)

Particulars	As at March 31, 2022	Charged/ (Credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2023
Year ended March 31, 2023				
Loss allowance on trade receivables and deposits (net)	5.77	0.46	-	5.31
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	13.95	6.56	-	7.39
Unabsorbed depreciation	4.63	2.24	-	2.39
Property, plant and equipment and intangible assets	(16.58)	(6.47)	-	(10.11)
Total deferred tax assets	7.77	2.79	-	4.98

Particulars	As at March 31, 2023	Charged/ (Credited) to profit and loss	Charged/ (credited) to OCI	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	2.39	(12.20)	-	14.59
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

The Company has recognized the deferred tax asset on unabsorbed depreciation 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, 2024	As at March 31, 2023
Unabsorbed brought forward depreciation / business losses	241.86	304.30
Potential tax benefit @ 25.168% (March 31, 2023: 25.168%)	60.87	76.59

36(g) - Current tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets [Net of provision of tax ₹ 128.43 (March 31, 2023: ₹ 128.43)]	20.55	16.21

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



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 valuation techniques which maximise 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, 2024			As at March 31, 2023		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments other than subsidiary	-	630.34	1.10	-	521.75	1.10
- Government securities	-	-	0.03	-	-	0.03
Cash and bank balances	-	-	267.60	-	-	73.07
Loans	-	-	0.01	-	-	0.02
Other financial assets	-	-	20.49	-	-	27.49
Trade receivables	-	-	639.17	-	-	285.86
Total financial assets	-	630.34	928.40	-	521.75	387.57
Financial liabilities						
Borrowings	-	-	81.67	-	-	93.60
Trade payables	-	-	765.73	-	-	370.83
Other financial liabilities	-	-	97.61	-	-	53.69
Total financial liabilities	-	-	945.01	-	-	518.12

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements - Level 1

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted equity investments measured at fair value	630.34	521.75

Difference between fair value of non-current financial instruments carried at amortised 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 amortised cost and the carrying amounts are equal to the fair values.

NOTES FORMING PART OF THE STANDALONE 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 05, 2017 and finalised on August 10, 2017. At the Annual General Meeting held on August 02, 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 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 01, 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 with sub-division of equity shares effective from November 25, 2022. Disclosures have been made after giving effect to the sub-division of equity shares. [Refer Note 17(8)].

(b) Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	1,61,500	64.54	1,90,000
Options granted on August 01, 2019	15.73	47,000	15.73	2,87,500
Options granted on May 28, 2022	36.20	15,25,000	-	-
Granted during the year				
Options granted on May 28, 2022	-	-	36.20	16,00,000
Exercised during the year				
Options granted on November 10, 2017	64.54	1,19,000	-	-
Options granted on August 01, 2019	15.73	35,000	15.73	2,40,500
Options granted on May 28, 2022	36.20	7,51,500	-	-
Forfeited during the year				
Options granted on May 28, 2022	36.20	-	36.20	75,000
Expired during the year				
Options granted on November 10, 2017	64.54	10,000	64.54	28,500
Closing Balance				
Options granted on November 10, 2017	64.54	32,500	64.54	1,61,500
Options granted on August 01, 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
Vested and exercisable		8,18,000		2,08,500

Note: The earlier exercise price of the options granted on November 10, 2017, August 01, 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].



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(c) The weighted average share price at the dates of exercise of the options exercised during the year ended March 31, 2024 was ₹ 144.06 per share (March 31, 2023: ₹ 52.58 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, 2024	Share options March 31, 2023	Fair value of options at grant date [see note (a)(vi) above] (in ₹)
November 10, 2017	November 10, 2019	November 10, 2023	64.54	-	38,000	25.34
November 10, 2017	November 10, 2020	November 10, 2024	64.54	15,000	57,000	29.24
November 10, 2017	November 10, 2021	November 10, 2025	64.54	17,500	66,500	31.24
August 01, 2019	August 01, 2020	August 01, 2024	15.73	12,000	47,000	5.02
May 28, 2022	May 28, 2023	May 28, 2027	36.20	7,73,500	15,25,000	13.76
Total				8,18,000	17,33,500	

Weighted average remaining contractual life of options outstanding at end of period	3.04 years	3.86 years
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(e) Fair Value of options granted**The model inputs for options granted on November 10, 2017 included [see note (a)(vi) above]:**

- 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.
- exercise price: ₹ 64.54 per option
- grant date: November 10, 2017
- expiry date: November 10, 2022 - November 10, 2025
- share price at grant date: ₹ 62.82 per share
- expected price volatility of the Company's shares: 48.32%-51.99%
- expected dividend yield: 1.69%
- 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 (a)(vi) above]:

- 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.
- exercise price: ₹ 15.73 per option
- grant date: August 01, 2019
- expiry date: August 01, 2024
- share price at grant date: ₹ 15.73 per share
- expected price volatility of the Company's shares: 42.29%
- expected dividend yield: 0%
- 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The model inputs for options granted on May 28, 2022 included [see note (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.

(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, 2024	Year ended March 31, 2023
Employee share-based payment expense (Refer Note 31)	0.17	1.92

Note 39 - Financial risk management

The Company's business activities exposes it to a variety of financial risks, namely liquidity risk, market risks 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 analyse 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 optimising 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, 2024	As at March 31, 2023
Expiring within one year (Current Borrowing facilities)	62.58	44.79
Expiring beyond one year	-	-

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, 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	-
As at March 31, 2023	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	19.76	28.18	0.67
Current borrowings*	50.21	-	-
Trade payables	370.83	-	-
Trade / Security deposits	30.28	2.67	1.26
Lease liabilities	0.37	0.45	0.11
Other financial liabilities (excluding trade / security deposits)	3.72	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 may 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 optimising returns. The Company's exposure to and the management of these risks is explained below:

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 uncertainties 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024	31.52	(31.52)
March 31, 2023	26.09	(26.09)

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 amortised 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, 2024, approximately 54.23% of the Company's borrowings is at variable rate of interest (March 31, 2023: 73.54%).

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, 2024	As at March 31, 2023
Variable rate borrowings	44.29	68.83
Fixed rate borrowings	37.38	24.77

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 utilised for the whole financial year:

Particulars	Effect on profit before tax	
	0.25 bps increase	0.25 bps decrease
March 31, 2024	(0.11)	0.11
March 31, 2023	(0.17)	0.17

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.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024		As at March 31, 2023	
	Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
	₹ in Crores	(Amount in Foreign currency) (in full numbers)	₹ in Crores	(Amount in Foreign currency) (in full numbers)
Trade receivables	6.35	USD 7,61,412	7.96	USD 9,68,971
	2.27	AED 10,01,013	5.72	AED 25,55,363

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 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, 2024	0.43	(0.43)
March 31, 2023	0.68	(0.68)

(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 equivalent, 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 equivalent, 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 amortised 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 forwarding-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 ageing 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, 2024	As at March 31, 2023
Balance as at beginning of the year	2.64	0.99
Add: Created during the year	-	1.65
Less: Utilised 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, 2024	As at March 31, 2023
Balance as at beginning of the year	18.46	15.53
Add: Created during the year	9.17	4.34
Less: Utilised during the year	(1.67)	(1.41)
Balance as at the end of the year	25.96	18.46

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	1.15	1.86	2.55	1.36	19.02	25.96
Carrying amount of trade receivables (net of loss allowance)	2.00	554.39	71.57	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)

Details of expected credit loss as at March 31, 2023

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)	-	153.92	4.46	3.37	0.85	3.87	166.47
Gross carrying amount – trade receivables (considered on individual basis)*	-	108.61	3.48	0.76	0.99	15.33	129.17
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	8.68	8.68
Total	-	262.53	7.94	4.13	1.84	27.88	304.32
Expected loss rate	0.62%	0.62%	8.73%	21.98%	43.06%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	-	0.95	0.39	0.74	0.36	3.87	6.31
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	3.47	3.47
Provision due to credit impaired - trade receivables	-	-	-	-	-	8.68	8.68
Loss allowance	-	0.95	0.39	0.74	0.36	16.02	18.46
Carrying amount of trade receivables (net of loss allowance)	-	261.58	7.55	3.39	1.48	11.86	285.86

* Mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

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, 2024	As at March 31, 2023
Total Debt (total borrowings + lease liabilities) (A)	82.14	94.35
Total Equity (B)	814.56	614.63
Debt to equity ratio (A/B) (in times)	0.10	0.15

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,
- Current ratio above 1,
- Interest service coverage ratio above 1.20,
- Debt service coverage ratio above 1,

(ii) Non financial covenants:

- The Company to take prior written 'No Objection Certificate (NOC)' from the bank before dilution of shareholding in NOCIL Limited below 10%.

As at March 31, 2024 and as at March 31, 2023, the Company has complied with the applicable covenants.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Compensated Absences (Refer Note 25)	5.00	4.32
Gratuity (Refer Note 25)	7.20	8.33
Total	12.20	12.65

(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.

Particulars	As at March 31, 2024	As at March 31, 2023
Current leave obligations not expected to be settled within the next 12 months	3.84	3.32

(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 ₹ 4.43 (March 31, 2023: ₹ 3.90) (Refer Note 31).

(b) Defined Benefit Plans
Gratuity

The Company provides for gratuity for employees 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, 2022	18.04	9.20	8.84
Interest Expense / (Income)	1.29	0.66	0.63
Current Service Cost	0.92	-	0.92
Total amount recognized in the Standalone Statement of Profit and Loss	2.21	0.66	1.55
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.07	(0.07)
(Gain) / loss from change in financial assumptions	0.90	-	0.90
Experience (gains) / losses	1.51	-	1.51
Total amount recognized in Other Comprehensive Income	2.41	0.07	2.34
Employer Contributions	-	4.40	(4.40)
Benefit Payments	(0.38)	(0.38)	-
Balance as on March 31, 2023	22.28	13.95	8.33

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
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.50	(0.50)
(Gain) / loss from change in financial assumptions	1.19	-	1.19
Experience (gains) / 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

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, 2022	16.91	17.55	(0.64)
Opening Balance adjustment	(0.19)	-	(0.19)
Interest Expense / (Income)	1.35	1.35	-
Current Service Cost	0.73	-	0.73
Employee Contributions	0.95	1.68	(0.73)
Liabilities transferred in	0.21	0.21	-
Return on plan assets	-	(0.32)	0.32
Benefit Payments	(0.86)	(0.86)	-
Balance as on March 31, 2023	19.10	19.61	(0.51)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 / (Income)	1.53	1.53	-
Current Service Cost	0.85	-	0.85
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)

* 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, 2024	As at March 31, 2023
Present Value of Obligations	26.49	22.28
Fair Value of Plan Assets	19.29	13.95
Net Liability	7.20	8.33

PROVIDENT FUND

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of Obligations	21.50	19.10
Fair Value of Plan Assets	21.79	19.61
Net Asset*	(0.29)	(0.51)

* Excess of the asset over liability is not recognized in the Standalone Financial Statements

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate / Return on plan assets		
Gratuity	7.19%	7.47%
Guaranteed Return		
Provident fund	8.25%	8.15%
Rate of salary increase		
Gratuity	6.50%	6.00%
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)



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 0.50% is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount Rate / Return on plan assets				
Gratuity	(0.77)	(0.65)	0.82	0.69
Rate of salary increase				
Gratuity	0.82	0.70	(0.78)	(0.66)
Rate of employee turnover				
Gratuity	0.02	0.04	(0.03)	(0.04)

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, 2024	As at March 31, 2023
Central Government of India bonds	15.71%	13.60%
State Government Securities	22.16%	26.11%
Special Deposits Scheme	7.83%	9.14%
Debt Instruments/Mutual Funds	49.71%	48.49%
Others	4.59%	2.66%

(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 increases 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, 2025 are ₹ 2.28

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2023: 7 years).

The expected maturity analysis of undiscounted gratuity is as follows:

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2024	As at March 31, 2023
1st Following Year	3.72	2.87
2nd Following Year	1.44	1.01
3rd Following Year	3.89	1.68
4th Following Year	2.35	4.03
5th following year	2.52	2.06
Sum of 6 to 10	13.29	11.73
Sum of 11 and above	18.71	15.90

Note 42 - Related party transactions

I Name of related parties and nature of relationship:

A) Subsidiary Companies:

Mafatlal Services Limited
Vrata Tech Solutions Private Limited (VT SPL) (till June 30, 2022)

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)
Pradip N. Kapadia (Non Executive Independent Director)
Latika P. Pradhan (Non Executive Independent Director)
Gautam G. Chakravarti (Non Executive Independent Director)
Sujal A. Shah (Non Executive Independent Director)

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
MAF Technologies Private Limited
Vrata Tech Solutions Private Limited (w.e.f. July 01, 2022) [Refer Note 49(a)]
Sumil Trading Private Limited
Intensive Clothing Care Unit
Indivar Foundation

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.



NOTES FORMING PART OF THE STANDALONE 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, 2024	Year ended March 31, 2023
Directors' Remuneration		
Employee benefit expenses #		
Priyavrata H. Mafatlal	2.58	2.02
Directors' sitting fees		
Latika P. Pradhan	0.08	0.11
Atul K. Srivastava	0.06	0.07
Pradip N. Kapadia	0.09	0.12
Gautam G. Chakravarti	0.10	0.13
Sujal A. Shah	0.09	0.11
Vilas R. Gupte	0.10	0.13
Total compensation	3.10	2.69

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 ₹ 0.26 (March 31, 2023: ₹ 0.21) 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, 2024	Year ended March 31, 2023
(i) Revenue from contract with customer		
Sumil Trading Private Limited	0.10	-
Vrata Tech Solutions Private Limited	0.19	0.09
(ii) Other Income - Utility / business service / air-conditioning charges and other receipts in respect of investment properties		
NOCIL Limited	0.11	0.10
Intensive Clothing Care Unit	0.04	0.39
(iii) Other income - Rental income		
Sumil Trading Private Limited	0.05	0.05
Vrata Tech Solutions Private Limited	0.02	0.02
Indivar Foundation	0.02	-
(iv) Other income - Dividend Income		
NOCIL Limited	7.58	7.58
(v) Lease rent paid		
Sumil Trading Private Limited	0.21	0.08
(vi) Purchase of Property, plant and equipment / intangible assets		
Vrata Tech Solutions Private Limited	0.20	0.63
(vii) Finance costs - Interest expense		
Sumil Trading Private Limited	-	0.45
(viii) Other expenses		
Sumil Trading Private Limited (Miscellaneous expenses)	-	0.05
Intensive Clothing Care Unit (Miscellaneous expenses)	0.01	0.03
Mafatlal Services Limited (Miscellaneous expenses)	0.13	0.12
Vrata Tech Solutions Private Limited (Repairs and maintenance - others - software support services)	1.10	1.42

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Nature of transaction	Year ended March 31, 2024	Year ended March 31, 2023
(ix) Recovery of expenses (net)		
Vrata Tech Solutions Private Limited	-	0.01
MAF Technologies Private Limited	-	*
Sumil Trading Private Limited	-	0.01
Intensive Clothing Care Unit	0.02	0.21
(x) Contribution for Post employment benefit plan		
The Mafatlal Gagalbhai & Sons and the associate concerns officer's superannuation scheme	0.33	0.30
Mafatlal Industries Limited Employee's Gratuity Fund	4.14	4.40
Mafatlal Industries Limited Employee's Provident Fund	1.94	1.68
(xi) Proceeds from sale of subsidiary (VTSP)		
Sumil Trading Private Limited [Refer Note 49(a)]	-	4.07

* Amount is below the rounding off norm adopted by the Company.

C) Outstanding balances with related parties referred in (I) above:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade receivables		
NOCIL Limited	0.01	-
Sumil Trading Private Limited	0.01	-
Intensive Clothing Care Unit	0.48	0.55
(ii) Trade payables		
Sumil Trading Private Limited	-	0.02
Mafatlal Services Limited	0.01	-
Intensive Clothing Care Unit	0.05	-
Vrata Tech Solutions Private Limited	0.03	0.16
(iii) Advance to Suppliers		
Sumil Trading Private Limited	0.01	-
(iv) Investments in Related Parties		
NOCIL Limited	629.71	521.09
Mafatlal Services Limited	0.28	0.28
(v) Employee benefits payable		
Priyavrata H. Mafatlal	0.40	-

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.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 43 - Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax matters	27.28	27.28
Central excise, sales tax and related matters	2.40	2.40
Central excise and service tax matters	29.61	29.61
Labor law matters	0.47	1.06
Director General of Foreign Trade matters	0.05	0.05
Total	59.81	60.40

(a) The Company is a lessee in respect of the land on which Mafatlal Centre and Mafatlal Chambers is erected. In this regard:

In case of Mafatlal Centre:

A demand for ₹ 26.97 (March 31, 2023: ₹ 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 current 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. The Company is awaiting the final No Objection Certificate from BMC.

In case of Mafatlal Chambers:

A demand for ₹ 7.93 (March 31, 2023: ₹ 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 Honourable Bombay High Court, the BMC has granted hearing to the Company and the final outcome is awaited.

- (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 judgement 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 judgement 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, 2024	As at March 31, 2023
Property, Plant and equipments	-	0.17
Less: Capital advances (Refer Note 8)	-	(0.17)
Net capital commitments	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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:

- Textile and related products
- Digital Infrastructure*
- Consumer Durables and others (from the current year ended March 31, 2024)

* Erstwhile known as technology and related products.

Segment revenue and results:

The expenses and income 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, 2024				Year ended March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Income							
Segment Revenue	1,556.12	130.12	392.17	2,078.41	1,325.40	45.12	1,370.52
Other income	5.35	-	-	5.35	9.87	-	9.87
Total Income	1,561.47	130.12	392.17	2,083.76	1,335.27	45.12	1,380.39
Segment Result	45.82	12.92	5.14	63.88	42.39	4.39	46.78
Add/(Less) :							
Unallocated income / (expense) (net)				31.65			12.74
Unallocated depreciation and amortization				(1.15)			(0.99)
Unallocable finance cost				(15.34)			(17.72)
Profit before exceptional items and tax				79.04			40.81
Exceptional Items (Net) (Refer Note 35)				-			(0.54)
Profit before tax				79.04			40.27

Particulars	As at March 31, 2024				As at March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Other Information:							
Segment Assets	579.94	54.62	207.43	841.99	602.14	0.93	603.07
Unallocable assets #				964.44			571.94
Total Assets				1,806.43			1,175.01
Segment Liabilities	517.77	39.53	324.86	882.16	442.93	1.27	444.20
Unallocable liabilities							
Borrowings				81.67			93.60
Others				28.04			22.58
Total Liabilities				991.87			560.38

Unallocable assets are majorly pertaining to investments.

* Erstwhile known as technology and related products



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024				Year ended March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Capital Expenditure:							
Segment capital expenditure	1.54	3.21	-	4.75	12.29	-	12.29
Unallocated capital expenditure				1.27			3.13
Total capital expenditure				6.02			15.42
Depreciation and Amortization:							
Segment depreciation and amortization	13.44	0.41	-	13.85	14.37	-	14.37
Unallocated depreciation and amortization				1.15			0.99
Total depreciation and amortization				15.00			15.36
Significant non-cash expenditure (other than depreciation and amortization):							
Segment significant non-cash expenditure	10.13	-	-	10.13	6.26	-	6.26
Unallocated significant non-cash expenditure				-			-
Total significant non-cash expenditure (other than depreciation and amortization)				10.13			6.26
Additions to non-current assets							
Segment additions to non current assets	-	-	-	-	0.17	-	0.17
Unallocated additions to non current assets				-			-
Total Additions to non-current assets				-			0.17

* Erstwhile known as technology and related products.

(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, 2024	Year ended March 31, 2023
India	2,041.97	1,333.56
Asia (Excluding India)	34.99	34.45
Others	1.45	2.51
Total	2,078.41	1,370.52

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, 2024	As at March 31, 2023
India	86.13	95.51
Asia (Excluding India)	-	-
Others	-	-
Total	86.13	95.51

The Company has revenue of more than 10% from the following customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The Directorate of Food and Consumer Affairs, Jharkhand	440.45	151.72
Maharashtra Building and Other Construction Workers Welfare Board	342.79	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 46 - Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings Per Share		
Profit for the year as per the Standalone Statement of Profit and Loss	98.75	37.48
Weighted average number of shares for the purposes of basic earnings per share (in numbers)	7,09,38,624	7,04,60,322
Basic Earnings Per Share (in ₹)	13.92	5.32
Diluted Earnings Per Share		
Profit for the year as per the Standalone Statement of Profit and Loss	98.75	37.48
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (in numbers)	7,18,08,337	7,10,48,027
Diluted Earnings Per Share (in ₹)	13.75	5.28
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	7,09,38,624	7,04,60,322
Adjustment for calculation of diluted earning per share:		
Employees stock option [Refer Note below]	8,69,713	5,87,705
Weighted average number of shares used as the denominator for calculating diluted earnings per share	7,18,08,337	7,10,48,027

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 fulfilment 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.

The Government Grants that represent unamortised 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, 2024	As at March 31, 2023
Opening balance	1.69	2.71
Grants during the year	-	-
Less: Released to Standalone Statement of Profit and Loss [Refer Note 28]	(0.74)	(1.02)
Closing balance	0.95	1.69
Description	As at March 31, 2024	As at March 31, 2023
Current portion (Refer Note 26)	0.54	0.74
Non-current portion (Refer Note 21)	0.41	0.95
Total	0.95	1.69



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024	As at March 31, 2023
Current		
Financial assets		
Trade receivables	637.65	285.55
Non-financial assets		
Inventories	79.92	106.24
Total Current assets pledged as security	717.57	391.79
Non-current		
Financial assets		
Trade receivables	1.07	-
Investments	184.27	121.33
Deposit with bank	0.83	2.31
Non-financial assets		
Land	0.05	0.05
Building	17.49	17.30
Plant and equipment	56.43	67.23
Investment properties	0.03	0.04
Vehicles	2.38	2.73
Total non-current assets pledged as security	262.55	210.99
Total assets pledged as security	980.12	602.78

Note 48(b) - Net debt reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Current borrowings (excluding current maturities of long-term debt)	(37.42)	(50.21)
Non-current borrowings	(27.19)	(26.15)
Current maturities of long term debt (including accrued interest)	(17.06)	(17.24)
Lease liabilities	(0.46)	(0.75)
Total debt	(82.13)	(94.35)
Cash and cash equivalents	182.24	48.83
Net debt	100.11	(45.52)

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, 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
Net debt as at April 01, 2022	52.86	(58.28)	(53.74)	-	(59.16)
Cash flows	(4.03)	14.70	3.53	0.09	14.29
Interest expense	-	(6.03)	(6.02)	(0.04)	(12.09)
Interest paid	-	6.22	6.02	0.04	12.28
Non cash movements for acquisitions and disposals	-	-	-	(0.84)	(0.84)
Net debt as at March 31, 2023	48.83	(43.39)	(50.21)	(0.75)	(45.52)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 49

- (a) During the previous year ended March, 31 2023, the Board of Directors of the Company approved the divestment of its investment in Vrata Tech Solutions Private Limited (VTS), a Subsidiary company representing 77.78% of the paid-up share capital of VTS. As a result, a Share Purchase Agreement was entered on June 20, 2022 with a promoter group company (Sumil Trading Private Limited) for the total consideration of ₹ 4.07 (based on fair value of equity share of VTS carried-out by the independent valuer) which was concluded on June 30, 2022. Subsequent to this transaction, VTS ceased to be a subsidiary of the Company with effect from June 30, 2022.
- (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') has approved the Scheme with the Appointed Date / Effective Date as March 31, 2024, against which the Company has filed an interlocutory application on May 06, 2024 seeking modification with a plea to reinstate the Appointed date of April 01, 2022 in the NCLT order, in accordance with the Scheme filed on October 10, 2023. The NCLT order with respect to the interlocutory application is awaited. The Company proposes to give the accounting effect prescribed in the Scheme on receiving the approval for the aforesaid interlocutory application from the NCLT which is supported by a legal opinion obtained by the Company.

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, 2024 (₹ 0.84 upto March 31, 2023) 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 accrued) 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 liabilities (Refer Note 20).
- (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 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, 2024	Year ended March 31, 2023
Employee benefits expense	0.89	0.80
Consumables	0.03	0.04
Repairs and Maintenance	0.02	0.01
Total	0.94	0.85



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, 2024 and March 31, 2023 are as follows:

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance	Reason for variance (if more than 25%)
Current Ratio (times)	Total current assets	Total current liabilities	1.11	1.03	7.77%	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	0.10	0.15	(33.33%)	The change in ratio is on account of increase in Shareholders' equity attributable to profits earned by the Company during the year led by improvement in operations and monetization of certain assets and improvement in fair value of FVOCI equity instruments. Further, there is reduction in borrowings as compared to the previous 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)	2.63	1.95	34.87%	The change in ratio is led by the significant increase in the profits earned by the Company during the year led by improvement in operations and monetization of certain assets.
Return on equity ratio (%)	Profit for the year	Average shareholders' equity	13.82%	5.76%	140.80%	The change in ratio is on account of increase in profits earned by the Company during the current year due to improvement in operations and monetization of certain assets as compared to the previous year.
Inventory turnover ratio (times)	Revenue from operations	Average inventory	22.33	15.38	45.19%	The change in ratio is on account of increase in revenue from operations in the current year as compared to the previous year with no significant change in the average inventories.
Trade receivables turnover ratio (times)	Revenue from operations (excluding export incentives)	Average trade receivables	4.49	5.07	(11.44%)	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	3.41	3.79	(10.03%)	Not applicable as the variance is less than 25% as compared to the previous financial year.
Net capital turnover ratio (times)	Revenue from operations	Working capital (current assets - current liabilities)	19.54	91.42	(78.63%)	The change in ratio is on account of increase in working capital as compared to the previous year.
Net profit ratio (%)	Profit for the year	Revenue from operations	4.75%	2.73%	74.73%	The change in ratio is on account of increase in profits earned by the Company during the current year due to improvement in operations and monetization of certain assets as compared to the previous year.
Return on capital employed (%)	Earnings before interest, tax and exceptional items	Capital employed = Tangible net worth (shareholder's equity) + borrowings + lease liabilities	10.53%	8.26%	27.48%	The change in the ratio is mainly due to increase in earnings and reduction in borrowings offset by increase in shareholders' equity as compared to the previous year.
Return on investment (%)	Earnings before interest, tax and exceptional items	Average total assets	6.33%	4.89%	29.45%	The change in the ratio is mainly due to increase in earnings offset by increase in total assets as compared to the previous year.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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.

(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.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS (Contd.)**

(All amounts in ₹ Crores, unless otherwise stated)

Note 54 - The Standalone Financial Statements were authorised for issue by the Board of Directors on May 27, 2024.

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 27, 2024

For and on behalf of the Board of Directors**H. A. Mafatlal**

Chairman

(DIN: 00009872)

Place: Mumbai

Date: May 27, 2024

P. H. Mafatlal

Managing Director

(DIN: 02433237)

Place: Mumbai

Date: May 27, 2024

M. P. Shah

Chief Financial Officer

Place: Mumbai

Date: May 27, 2024

A. P. Shah

Company Secretary

Place: Mumbai

Date: May 27, 2024

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 subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 53 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, 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, 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, 2024, 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 "Auditor's 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 and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph 15 of the Other Matters section below, 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 Holding Company has 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 NCLT order with respect to the interlocutory application is awaited. The Holding Company proposes to give the accounting effect prescribed in the Scheme on receiving the approval for the aforesaid interlocutory application from the NCLT.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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.



INDEPENDENT AUDITOR'S REPORT (Contd.)

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of impairment of Property, Plant and Equipment:</p> <p>[Refer Note 3(a) in the consolidated financial statements]</p> <p>The carrying value of Property, Plant and Equipment (Assets) is ₹ 79.77 crores as at March 31, 2024 which is significant to the Consolidated Balance Sheet.</p> <p>The Management has assessed the indications for impairment of Assets considering internal and external sources of information, as per Ind AS 36 – Impairment of Assets. For the purposes of impairment testing, the carrying value of the Assets was compared to the recoverable amount of the Assets. The Holding Company has applied fair value less costs of disposal method in determining the recoverable value of the Assets. The Management has engaged an external registered valuer to determine the fair value of immovable properties, and the determination of fair value of other assets involved Management's assumptions, judgement and estimates. Based on the assessment, the Management has concluded that no impairment was required as of March 31, 2024.</p> <p>The assessment of impairment of the Assets is considered to be a key audit matter as the assessment involves significant judgement, involvement of valuation experts and estimates made by the Management.</p>	<p>We have performed audit procedures which included the following:</p> <ul style="list-style-type: none"> • Obtained understanding, evaluated and tested the design and operating effectiveness of the Company's relevant controls relating to impairment assessment including determining recoverable value of Assets. • Examined the report issued by the external registered valuer engaged by the Management. • Evaluated the independence, competence, capabilities and objectivity of the external registered valuer engaged by the Management for valuation of immovable properties. • Engaged auditor's valuation experts to assess appropriateness of valuation methodology. • Tested the accuracy and appropriateness of input data. • Evaluated the reasonableness of assumptions applied by Management, in determining the fair value of other assets. • Verified the mathematical accuracy of underlying calculations of recoverable amount and compared with the carrying value of Assets. • Performed sensitivity analysis over the key assumptions, to assess the range of possible outcomes for recoverable value of Assets and the potential impact on impairment results. • Evaluated the adequacy of the presentation and disclosures of the Assets made in the financial statements. <p>Based on the above procedures performed by us, we found the Management's assessment of carrying value of Assets to be reasonable.</p>

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 and other 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 will 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 identified above when it becomes available 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 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 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 changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the 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,

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 management 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.

Auditor's 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.

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

12. We communicate with those charged with governance of the Holding Company 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 Matters

15. We did not audit the financial statements of a subsidiary (i.e. Mafatlal Services Limited), whose financial statements reflect total assets of ₹ 0.15 Crores and net assets of ₹ 0.05 Crore as at March 31, 2024, total revenue of ₹ 0.36 Crore, total comprehensive income (comprising of profit and other comprehensive income) of ₹ NIL and net cash outflows amounting to ₹ 0.01 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary 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 subsidiary, is based solely on the report of the other auditors.

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 matter with respect to our reliance on the work done and the report of the other auditors.

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 auditors of Mafatlal Services Limited, a subsidiary of the Holding Company in their CARO 2020 report issued in respect of the standalone financial statements of Mafatlal Services Limited 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 report of the other auditors except for the matters stated in paragraph 17(j)(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 maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the 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, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2024 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(j)(vi) below on

INDEPENDENT AUDITOR'S REPORT (Contd.)

reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- (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 (as amended), 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 Notes 43 and 52 to the consolidated financial statements.
 - ii. The Group was not required to recognise a provision as at March 31, 2024 under the applicable law or 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, 2024.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary company, incorporated in India.
 - iv. (a) The respective Managements of the Holding Company and its subsidiary 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 subsidiary, respectively, that, to the best of their knowledge and belief, as disclosed in Note 55 (VI) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 such subsidiary 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, 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 such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Holding Company and its subsidiary 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 subsidiary, respectively, that, to the best of their knowledge and belief, as disclosed in the Note 55 (VI) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, 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.
- (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 subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's 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.
- v. The Holding Company and its subsidiary company, have not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks and that performed by the auditors of the subsidiary, which is a company incorporated in India whose financial statements have been audited under the Act, the Group has used accounting softwares for maintaining its books of account which have 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 in case of one of its accounting



INDEPENDENT AUDITOR'S REPORT (Contd.)

software, audit trail was not available in case of modification with certain specific functionality in the application and for direct database changes. Further, during the course of our audit, other than instances mentioned above, we and the auditors of the above referred subsidiary, did not notice any instance of audit trail feature being tampered with.

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: 24102022BKFNYX5690

Place: Mumbai

Date: May 27, 2024

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Mafatlal Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2024

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, 2024, 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 subsidiary company, 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 subsidiary company, 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 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.

Auditor's responsibility

3. Our responsibility is to express an opinion on the Holding 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 deemed to be prescribed 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 report 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.

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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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



ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT (Contd.)

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 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 subsidiary company, 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, 2024, 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 Matters

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 one subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such company 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: 24102022BKFNYX5690

Place: Mumbai

Date: May 27, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	79.77	91.02
Right-of-use assets	3(b)(i)	0.42	0.74
Investment properties	4	2.09	2.34
Intangible assets	5	3.32	0.71
Financial assets			
i. Investments	6(A),(B),(C)	631.47	522.88
ii. Trade receivables	10	1.07	-
iii. Other financial assets	7	3.55	6.95
Deferred tax assets (net)	36(e)	14.93	4.98
Other non-current assets	8	0.53	0.70
Current tax assets (net)	36(g)	20.55	16.21
Total non-current assets		757.70	646.53
Current assets			
Inventories	9	79.92	106.24
Financial assets			
i. Trade receivables	10	638.13	285.89
ii. Cash and cash equivalents	11	182.25	48.85
iii. Bank balances other than (ii) above	12	85.45	24.32
iv. Loans	13	0.01	0.02
v. Other financial assets	14	16.94	20.54
Other current assets	15	45.89	42.47
Assets held for sale	16	-	0.01
Total current assets		1,048.59	528.34
TOTAL ASSETS		1,806.29	1,174.87
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	14.30	14.12
Other equity			
i. Reserves and surplus	18	218.43	117.16
ii. Other reserves		581.65	483.17
Equity attributable to owners of Mafatlal Industries Limited		814.38	614.45
Non Controlling Interest	50(b)	0.01	0.01
Total equity		814.39	614.46
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	27.19	26.15
ii. Lease liabilities	3(b)(ii)	0.17	0.38
iii. Other financial liabilities	20	19.73	19.74
Other non-current liabilities	21	2.76	0.95
Total non-current liabilities		49.85	47.22
Current liabilities			
Financial liabilities			
i. Borrowings	22	54.48	67.45
ii. Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises; and		6.92	13.32
- total outstanding dues of creditors other than micro enterprises and small enterprises		758.73	357.45
iii. Lease liabilities	3(b)(ii)	0.29	0.37
iv. Other financial liabilities	24	77.93	34.00
Provisions	25	12.23	12.68
Other current liabilities		31.47	27.56
Advance received against assets held for sale (net)		-	0.36
Total current liabilities		942.05	513.19
Total liabilities		991.90	560.41
TOTAL EQUITY AND LIABILITIES		1,806.29	1,174.87

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

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations	27	2,078.64	1,371.71
Other income	28	23.67	22.07
Other gains / (losses) (net)	29	40.15	23.13
Total income		2,142.46	1,416.91
EXPENSES			
Cost of materials consumed		150.05	200.58
Purchases of stock-in-trade		1,556.12	907.49
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	25.46	(34.89)
Employee benefits expense	31	61.00	53.16
Finance costs	32	15.34	17.72
Depreciation and amortization expense	33	15.00	15.43
Net impairment loss on financial assets	10,14,39	9.17	5.99
Other expenses	34	231.28	211.03
Total expenses		2,063.42	1,376.51
Profit before exceptional items and tax		79.04	40.40
Exceptional items	35	-	(0.54)
Profit before tax		79.04	39.86
Tax expense	36(a)		
- Current tax		-	-
- Deferred tax credit / (charge)		(19.71)	2.79
Total tax expense		(19.71)	2.79
Profit for the year		98.75	37.07
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss, net of tax			
- Changes in fair value of FVOCI equity instruments	18	98.48	(108.76)
- Remeasurements of post-employment benefit obligations charge	41	(1.01)	(2.34)
Total Other Comprehensive Income for the year		97.47	(111.10)
Total Comprehensive Income for the year		196.22	(74.03)
Profit is attributable to:			
Owners of Mafatlal Industries Limited		98.75	37.18
Non Controlling Interest		-	(0.11)
		98.75	37.07
Other comprehensive income is attributable to:			
Owners of Mafatlal Industries Limited		97.47	(111.10)
Non Controlling Interest		-	-
		97.47	(111.10)
Total comprehensive income is attributable to:			
Owners of Mafatlal Industries Limited		196.22	(73.92)
Non Controlling Interest		-	(0.11)
		196.22	(74.03)
Earnings per equity share of ₹ 2/- each			
	46		
Basic (₹)		13.92	5.26
Diluted (₹)		13.75	5.22

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report attachedFor Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N / N500016

For and on behalf of the Board of Directors

Pankaj Khandelia
Partner
Membership Number: 102022H. A. Mafatlal
Chairman
(DIN: 00009872)P. H. Mafatlal
Managing Director
(DIN: 02433237)M. P. Shah
Chief Financial OfficerA. P. Shah
Company SecretaryPlace: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024Place: Mumbai
Date: May 27, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 01, 2022		14.07
Changes in equity share capital during the year	17	0.05
As at March 31, 2023		14.12
Changes in equity share capital during the year	17	0.18
As at March 31, 2024		14.30

B. Other equity

Particulars	Attributable to owners of Mafatlal Industries Limited										Total Other Equity Attributable to Owners	Non Controlling Interest		
	Reserves and Surplus													
	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	ESOP Reserve			Export Profit Reserve	Other Reserves FVOCI - Equity Instruments
As at April 01, 2022	176.99	(227.07)	0.61	0.35	36.34	6.20	83.83	0.76	0.02	0.78	0.20	592.99	672.00	0.23
Profit for the year	-	37.18	-	-	-	-	-	-	-	-	-	-	37.18	(0.11)
Other comprehensive income	-	(2.34)	-	-	-	-	-	-	-	-	-	(108.76)	(111.10)	-
Total comprehensive income	-	34.84	-	-	-	-	-	-	-	-	-	(108.76)	(73.92)	(0.11)
Adjustment on sale of subsidiary [Refer Note 49(a)]	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.11)
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	1.92	-	-	1.92	-
Transfer of gain on FVOCI Equity Instruments to Retained Earnings	-	1.06	-	-	-	-	-	-	-	-	-	(1.06)	-	-
ESOP grants exercised	0.45	-	-	-	-	-	-	-	-	(0.12)	-	-	0.33	-
As at March 31, 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)	-	-	-	-	-	-	-	-	-	-	97.47	-
Total comprehensive income	-	97.74	-	-	-	-	-	-	-	-	-	-	196.22	-
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	0.17	-	-	0.17	-
ESOP grants 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

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 Khandeja
Partner

Membership Number: 102022

Place: Mumbai
Date: May 27, 2024

H. A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: May 27, 2024

P. H. Mafatlal
Managing Director
(DIN: 02433237)

Place: Mumbai
Date: May 27, 2024

M. P. Shah
Chief Financial Officer

Place: Mumbai
Date: May 27, 2024

A. P. Shah
Company Secretary

Place: Mumbai
Date: May 27, 2024

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flows from operating activities		
Profit before exceptional items and tax	79.04	40.40
Adjustments for:		
Employee share-based payment expense	0.17	1.92
Depreciation and amortization expense	15.00	15.43
Finance costs	15.34	17.72
Net gain on disposal of property, plant and equipment, investment properties and assets held for sales	(30.88)	(18.50)
Net gain on sale of subsidiary [Refer Note 49(a)]	-	(3.72)
Net gain from sale of development right certificates	(9.27)	-
Interest income	(5.09)	(2.05)
Apportioned income from Government grants	(0.74)	(1.02)
Dividend income from equity investments designated at fair value through other comprehensive income	(7.59)	(7.59)
Rental income from investment properties	(4.04)	(3.12)
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(4.85)	(4.65)
Bad debts written off	1.67	1.41
Advances written off	0.96	0.27
Loss allowance on financial assets	7.50	4.58
Net unrealised exchange loss / (gain)	0.09	(0.53)
Operating profit before working capital changes	57.31	40.55
Changes in working capital		
Adjustments for:		
Decrease / (Increase) in inventories	26.32	(34.57)
Increase in trade and other receivables	(363.36)	(56.40)
Increase in trade and other payables	444.33	47.25
Decrease in provisions	(1.80)	(1.82)
	105.49	(45.54)
Cash generated from / (used in) operations	162.80	(4.99)
Direct taxes paid (net of refund received)	(4.00)	(1.61)
Exceptional items	-	(0.54)
Net cash inflow / (outflow) from operating activities (A)	158.80	(7.14)
B. Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(6.02)	(15.31)
Payments for investment properties	-	(0.16)
Purchase of investments	-	(0.10)
Proceeds from sale of investment properties	10.43	7.88
Proceeds from sale of property, plant and equipment / assets held for sale	20.50	7.75
Proceeds from sale of investments	-	1.44
Proceeds from sale of subsidiary (net of cash disposed)	-	3.56
Proceeds from sale of development right certificates	9.27	-
Term deposits matured / (placed) with banks (net)	(57.74)	13.30
Interest income received	4.77	2.21
Dividend received from equity investments designated at fair value through other comprehensive income	7.59	7.59
Rental income from investment properties	4.04	3.12
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	4.85	4.65
Net cash (outflow) / inflow from investing activities (B)	(2.31)	35.93

CONSOLIDATED STATEMENT OF CASH FLOWS (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash flows from financing activities		
Proceeds from issues of equity shares	3.54	0.38
Non-current borrowings taken	30.00	1.70
Non-current borrowings repaid	(29.15)	(16.40)
Current borrowings taken / (repaid) (net)	(12.79)	(2.78)
Principal element of lease payment	(0.30)	(0.28)
Interest paid on lease liabilities	(0.08)	(0.04)
Interest paid (including other finance costs)	(14.31)	(16.21)
Net cash outflow from financing activities (C)	(23.09)	(33.63)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	133.40	(4.84)
Cash and cash equivalents at the beginning of the year	48.85	53.69
Cash and cash equivalents at the end of the year	182.25	48.85

Reconcillation 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, 2024	As at March 31, 2023
Cash on hand	0.06	0.05
Cheques on hand		
Balances with banks:		
(i) In Current accounts	157.19	28.80
(ii) In Deposit accounts with original maturity of less than 3 months	25.00	20.00
	182.25	48.85

Non-cash investing activities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right-of-use assets	-	0.85

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

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

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ Crores, unless otherwise stated)

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 products, consumer durable products and others. The Company and its subsidiaries, Mafatlal Services Limited and Vrata Tech Solutions Private Limited (upto June 30, 2022) 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 amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective from April 01, 2023:

- Disclosure of accounting policies –

amendments to Ind AS 1

- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

(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 Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity respectively.

ii. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

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. The Group has used the following useful lives to provide depreciation on its property, plant and equipment:

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

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

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 Consolidated Statement of Profit and Loss within other gain / (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) for the 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.

Refer Note 2B (vii) for the other accounting policies below relevant to Intangible assets.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 Group, 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) for the 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 amortised 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 recognized 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 Group. 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 amortised 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 in the Consolidated 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,
- Amortised cost

Equity instruments:

The Group subsequently measures all investments

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 Consolidated Statement of Profit and Loss where FVOCI option is chosen. Dividends from such investments continue to be recognized in the Consolidated 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 Consolidated 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 Consolidated 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 amortised 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 ageing 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 amortised cost is calculated using the effective interest rate method and is recognized in the Consolidated 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 Consolidated 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) for the other accounting policies below relevant to investments 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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(ii) Initial recognition and measurement

Financial liabilities are recognized when the Group 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 amortised 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss in a subsequent period.

Defined contribution plan

The Group contributes towards Employees State Insurance Scheme, Superannuation Fund and Provident Fund for certain employees, which are defined contribution schemes.

Refer Note 2B (xvii) for the other accounting policies below relevant to Employee benefits.

2.1 Critical estimates and judgements

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 judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement 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 judgements 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 judgements are:

- Estimation of useful life of property, plant and equipment: Notes 2A(iv), 2B(v) and 3(a)
- Estimated useful life of intangible assets: Notes 2A(v), 2B(vii) and 5
- Loss Allowance on trade receivables: Refer Notes 10 and 39

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

- Recoverability of deferred tax assets: Refer Note 36(e)
- Estimation of defined benefit obligation: Refer Note 41
- Contingent Liabilities: Refer Note 43
- Impairment of assets: Refer Note 2A(vii)

Estimates and judgements 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 Group 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 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 Consolidated 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 Consolidated 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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Balance Sheet are disclosed as 'Capital work-in-progress'.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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) for the 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 Consolidated 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) for the 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) for the 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 Consolidated 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 amortised 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 Consolidated Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss.

Fair Value hierarchy

The judgements 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 amortised 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 amortised cost:

Assets that are held for collection of contractual cash flows where those cash

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

flows represent solely payments of principal and interest are measured at amortised 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 Consolidated 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 Consolidated Statement of Profit and Loss.

- Measured at fair value through profit or loss (FVPL):

Assets that do not meet the criteria for amortised 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) for the 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 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 Consolidated 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Consolidated 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 Consolidated 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 Consolidated 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the Consolidated 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 Consolidated 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 Consolidated Statement of Changes in Equity and in the Consolidated 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 Group 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) for the material accounting policies above relevant to Employee benefits.

xviii. 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

xix. 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 Group are segregated based on the available information.

*xx. 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.

xxi. 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.

xxii. Exceptional Items

Exceptional items 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 Group.

xxiii. 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

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers and hardware	Railway sidings	Total
Year ended March 31, 2023									
I. Gross carrying amount									
Opening gross carrying amount	0.05	16.51	132.96	2.75	2.33	5.41	0.43	*	160.44
Additions	-	3.78	7.28	0.36	2.74	0.32	0.46	-	14.94
Disposals	*	*	(3.62)	-	(0.62)	-	-	-	(4.24)
Disposals on sale of subsidiary [Refer Note 49(a)]	-	-	-	*	-	*	(0.16)	-	(0.16)
Closing gross carrying amount	0.05	20.29	136.62	3.11	4.45	5.73	0.73	*	170.98
II. Accumulated depreciation									
Opening accumulated depreciation	-	2.32	58.25	1.23	1.49	4.20	0.09	-	67.58
Depreciation charge during the year (Refer Note 33)	-	0.67	12.44	0.25	0.34	0.32	0.18	-	14.20
Disposals	-	*	(1.30)	-	(0.49)	-	-	-	(1.79)
Disposals on sale of subsidiary [Refer Note 49(a)]	-	-	-	-	-	-	(0.03)	-	(0.03)
Closing accumulated depreciation	-	2.99	69.39	1.48	1.34	4.52	0.24	-	79.96
III. Net carrying amount (I - II)	0.05	17.30	67.23	1.63	3.11	1.21	0.49	*	91.02
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

Notes:

- Refer Note 48(a) for information on property, plant and equipment pledged as security by the Group.
 - Refer Notes 21, 26 and 47 for government grants related to property, plant and equipment.
 - The Group has not capitalised any borrowing cost in the current and previous year
- * Amount is below the rounding off norm adopted by the Group.

Ageing of Capital Work-in-Progress (CWIP) and Completion schedule for CWIP whose completion is overdue or has exceeded its cost compared to its original plan:

Balance as at March 31, 2024 and as at March 31, 2023 do not include projects in progress as well as projects temporarily suspended.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 3(b) - Leases**(i) Right-of-Use Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount - Buildings		
Opening gross carrying amount	0.85	1.10
Additions	-	0.85
Disposals on sale of subsidiary [Refer Note 49(a)]	-	(1.10)
Closing gross carrying amount	0.85	0.85
II. Accumulated depreciation - Building		
Opening accumulated depreciation	0.11	0.07
Depreciation charge during the year (Refer Note 33)	0.32	0.16
Disposals on sale of subsidiary [Refer Note 49(a)]	-	(0.13)
Closing accumulated depreciation	0.43	0.11
III. Net carrying amount (I - II)	0.42	0.74

(ii) Lease Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities		
Current	0.29	0.37
Non-current	0.17	0.38
Total	0.46	0.75

(iii) Amounts recognized in the Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets - Buildings (Refer Note 33)	0.32	0.16
Interest expense (included in finance costs) (Refer Note 32)	0.08	0.04
Expense relating to short-term leases (included in other expenses) (Refer Note 34)	0.01	0.11
Total	0.41	0.31

(iv) Non-cash investing activities during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right-of-use assets	-	0.85
Total	-	0.85

(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, 2024 was ₹ 0.39 (March 31, 2023: ₹ 0.43) (including short term lease payments).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 4 - Investment Properties

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount		
Opening gross carrying amount	2.74	2.59
Additions	-	0.16
Transfer to assets held for sale (Refer Note 16)	-	(0.01)
Disposals	(0.01)	*
Closing gross carrying amount	2.73	2.74
II. Accumulated depreciation		
Opening accumulated depreciation	0.40	0.23
Depreciation charge during the year (Refer Note 33)	0.25	0.17
Transfer to assets held for sale (Refer Note 16)	-	*
Disposals	(0.01)	*
Closing accumulated depreciation	0.64	0.40
III. Net carrying amount (I - II)	2.09	2.34

(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, 2024	Year ended March 31, 2023
Income from investment properties [Refer Note 28]	8.89	7.77
Direct operating expenses towards income from investment properties that generated income	(5.96)	(6.04)
Profit from investment properties before depreciation	2.93	1.73
Depreciation (Refer Note 33)	(0.25)	(0.17)
Profit from investment properties	2.68	1.56

(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, 2024	As at March 31, 2023
Within one year	2.85	2.87
Later than one year but not later than five years	3.42	3.34
Total	6.27	6.21

(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, 2024	As at March 31, 2023
Investment properties	73.38	72.29

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, 2023: ₹ 0.08 Lakhs).



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 5 - Intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
I. Gross carrying amount		
Opening gross carrying amount	6.53	6.33
Additions	3.39	0.20
Closing gross carrying amount	9.92	6.53
II. Accumulated depreciation		
Opening accumulated amortization	5.82	4.92
Amortization during the year (Refer Note 33)	0.78	0.90
Closing accumulated amortization	6.60	5.82
III. Net carrying amount (I - II)	3.32	0.71

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

Note 6 - Non-current investments

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Investment in equity instruments (fully paid)		
Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2023: 79,920) equity shares of ₹ 10/- each of Stanrose Mafatlal Investments and Finance Limited	0.61	0.64
2,000 (March 31, 2023: 2,000) equity shares of ₹ 10/- each of Mangal Credit & Fincorp Limited	0.02	0.02
2,52,59,059 (March 31, 2023: 2,52,59,059) equity shares of ₹ 10/- each of NOCIL Limited \$\$	629.71	521.09
Unquoted		
45,000 (March 31, 2023: 45,000) equity shares of ₹ 10/- each of Cama Hotels Limited **	@	@
1,600 (March 31, 2023: 1,600) equity shares of ₹ 10/- each of Hybrid Financial Services Limited \$**	@	@
116 (March 31, 2023: 116) equity shares of ₹ 10/- each of Anil Bioplus Limited	@	@
12,40,000 (March 31, 2023: 12,40,000) equity shares of ₹ 10/- each of Mafatlal Global Apparel Limited	@	@
13,350 (March 31, 2023: 13,350) equity shares of ₹ 10/- each of Matcon Export Enterprises Limited ###	@	@
2,320 (March 31, 2023: 2,320) equity shares of ₹ 10/- each of Anil Limited @@	@	@
100 (March 31, 2023: 100) equity shares of ₹ 10/- each of Arlabs Limited	@	@
15,000 (March 31, 2023: 15,000) equity shares of ₹ 10/- each of Cellulose Products of India Limited ##	@	@
10 (March 31, 2023: 10) equity shares of ₹ 25/- each of Universal Dyestuff Industries Limited @@	@	@
5,870 (March 31, 2023: 5,870) equity shares of ₹ 100/- each of SLM Maneklal Industries Limited **	@	@
30,000 (March 31, 2023: 30,000) equity shares of ₹ 10/- each of Mafatlal Medical Devices Limited @@@	@	@
92,500 (March 31, 2023: 92,500) equity shares of ₹ 100/- each of Janata Sahakari Bank Limited ####	0.93	0.93

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
100 (March 31, 2023: 100) equity shares of ₹ 25/- each of Shamrao Vithal Co-Operative Bank Limited #####	@	@
5 (March 31, 2023: 5) Shares of ₹ 50/- each of Sea - Face Park Co-op Housing Society Limited	@	@
26,16,670 (March 31, 2023: 26,16,670) equity shares of ₹ 10/- each of Ibiza Industries Limited ***@@	@	@
39,76,002 (March 31, 2023: 39,76,002) equity shares of ₹ 10/- each of Sunanda Industries Limited *@@	@	@
1,46,364 (March 31, 2023: 1,46,364) equity shares of ₹ 100/- each of Mafatlal Engineering Industries Limited ##	@	@
147 (March 31, 2023: 147) equity shares of AED 1,000/- each of Al Fahim Mafatlal Textiles LLC ##	@	@
17,500 (March 31, 2023: 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 amortised cost		
Government securities [Face value of ₹ 0.03 (March 31, 2023: ₹ 0.03)] have been lodged with various authorities **	0.03	0.03
(C) Investment in debentures and bonds		
Unquoted - At amortised cost		
1,65,000 (March 31, 2023: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	@	@
2,050 (March 31, 2023: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited: 11% - Series IV #	@	@
Total	631.47	522.88

\$ Not held in the name of the Company since acquired on Amalgamation.

\$\$ 73,91,360 (March 31, 2023: 58,81,357) 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, 2023: 17,96,002 equity shares) were not available for verification.

** Not available for physical verification.

*** 13,50,000 (March 31, 2023: 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, 2023: 9,50,000) equity shares not available for physical verification / confirmation not available; currently under liquidation.

2,050 (March 31, 2023: 2,050) nos. - Not available for physical verification.

Not available for physical verification / confirmation not available; currently under liquidation.

8,000 (March 31, 2023: 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	630.34	521.75
Aggregate amount of unquoted investments	1.13	1.13
Total	631.47	522.88

Note 7 - Non-current - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered good</i>		
Security deposits	3.13	3.15
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	0.42	3.27
(ii) Other term deposits	-	0.53
Others	*	*
Total	3.55	6.95

Note: There are no financial assets as on March 31, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

Note 8 - Non-current - Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, Considered good</i>		
Capital advances	-	0.17
Deposits with government authorities	0.53	0.53
Total	0.53	0.70

Note 9 - Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	0.56	1.25
Work-in-progress	35.16	31.59
Finished goods	10.74	15.21
Stock-in-trade	28.88	32.62
Stock-in-trade in transit	0.85	21.67
Packing Material	0.88	0.66
Stores and spares	2.84	3.23
Others (Land) [Refer Note 50 (ii)]	0.01	0.01
Total	79.92	106.24

Amounts recognized in the Consolidated Statement of Profit and Loss:

Inventory write downs / write back are accounted, considering the nature of inventory, ageing and net realisable value. Write down of inventories amounted to ₹ 4.33 (March 31, 2023: Write-back of ₹ 0.14) were recognized as an expense/ write back during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in the Consolidated Statement of Profit and Loss.

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, 2024	As at March 31, 2023
Trade receivables from contract with customers - billed	662.97	304.13
Trade receivables from contract with customers - unbilled ^	2.02	-
Trade receivables from contract with customers - related parties	0.50	0.55
Less : Loss Allowance (Refer Note 39)	(26.29)	(18.79)
Total	639.20	285.89
Current	638.13	285.89
Non-current	1.07	-

Break up of security details

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	656.81	296.00
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	8.68	8.68
Total	665.49	304.68
Loss allowance (Refer Note 39)	(26.29)	(18.79)
Total	639.20	285.89

^ 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.

Ageing 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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Ageing of Trade receivables as at March 31, 2023

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	-	151.25	111.31	7.94	5.97	4.26	15.27	296.00
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-	-
(B) Disputed trade receivables								
(i) considered good	-	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	8.68	8.68
Total	-	151.25	111.31	7.94	5.97	4.26	23.95	304.68
Loss allowance on trade receivables								(18.79)
Total								285.89

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, 2024	As at March 31, 2023
Cash on hand	0.06	0.05
Balances with banks:		
(i) In Current accounts	157.19	28.80
(ii) In Deposit accounts with original maturity of less than 3 months	25.00	20.00
Total	182.25	48.85

Note 12 - Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with remaining maturity of less than 12 months:		
(i) Deposits held as margin money or security against borrowings, guarantees and other commitments	78.51	19.63
(ii) Other term deposits	6.87	4.53
In earmarked accounts:		
(i) Unclaimed dividend accounts	0.05	0.14
(ii) Balances in Escrow Current accounts (Refer Note below)	0.02	0.02
Total	85.45	24.32

Note:

Balance in Escrow Current account of ₹ 0.02 (March 31, 2023: ₹ 0.02) is operated under the supervision of the Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

Note 13 - Current loans

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees	0.01	0.02
Total	0.01	0.02

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, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 14 - Current - Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, considered good unless otherwise stated</i>		
Security deposits		
Considered good	15.18	19.54
Considered doubtful	2.64	2.64
	17.82	22.18
Less: Loss allowance on deposits (Refer Note 39)	(2.64)	(2.64)
	15.18	19.54
Export incentives / Government grant receivable	1.61	0.83
Interest accrued on deposits with banks	0.03	0.05
Other receivables	0.12	0.12
Total	16.94	20.54

Note: There are no financial assets as at March 31, 2024 and March 31, 2023 which have significant increase in credit risk or which are credit impaired.

Note 15 - Current - Other assets

Particulars	As at March 31, 2024	As at March 31, 2023
<i>Unsecured, considered good</i>		
Prepaid expenses	3.27	1.31
Balances with government authorities	18.06	20.14
Advance to suppliers	24.56	20.82
Others	-	0.20
Total	45.89	42.47

Note 16 - Assets held for sale

Particulars	As at March 31, 2024	As at March 31, 2023
Assets classified as held for sale		
Buildings - [Refer Note 4]	-	0.01
Total	-	0.01

Note 17 - Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
(i) Authorised				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights [Refer Note 17(8) below]	35,00,00,000	70.00	35,00,00,000	70.00
Preference Shares of ₹ 10/- each	3,00,00,000	30.00	3,00,00,000	30.00
(ii) Issued				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights	7,15,02,930	14.30	7,05,97,430	14.12
(iii) Subscribed and fully paid up				
Equity shares of ₹ 2/- each (March 31, 2023: ₹ 2/- each) with voting rights	7,15,02,930	14.30	7,05,97,430	14.12
Less: Allotment money/ Calls in arrears	-	*	-	*
Total	7,15,02,930	14.30	7,05,97,430	14.12



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(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, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	7,05,97,430	14.12	1,40,71,386	14.07
Add: Sub-division of equity shares during the year [Refer Note 17(8) below]	-	-	5,62,85,544	-
	7,05,97,430	14.12	7,03,56,930	14.07
Add: Shares issued during the year [see Note 17(5)(ii) below]	9,05,500	0.18	2,40,500	0.05
Outstanding at the end of the year	7,15,02,930	14.30	7,05,97,430	14.12

(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, 2023: ₹ 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, 2024		As at March 31, 2023	
	Number of shares	% Holding	Number of shares	% Holding
Equity Shares:				
H. A. Mafatlal	6,992	0.01%	1,12,06,120	15.87%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.92%	-	-
NOCIL Limited	97,73,475	13.67%	97,73,475	13.84%
Sumil Trading Private Limited	2,70,91,630	37.89%	2,70,91,630	38.37%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(4) Details of shareholding of promoters:

Name of the Promoter	As at March 31, 2024			As at March 31, 2023		
	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	*	0.00%	500	*	(9.29%)
H. A. Mafatlal as a Trustee of Gurukripa Trust	500	*	0.00%	500	*	0.00%
H. A. Mafatlal as a Trustee of Karuna Trust	33,90,576	4.74%	678015.20%	500	*	0.00%
H. A. Mafatlal as a Trustee of Narsingha Trust	78,09,552	10.92%	1561810.40%	500	*	0.00%
Rekha H. Mafatlal as a Trustee of Radha Raman Trust	500	*	0.00%	500	*	0.00%
Aarti M. Chadha	7,45,900	1.04%	0.00%	7,45,900	1.06%	0.00%
H. A. Mafatlal as a Trustee of Shrija Trust	500	*	0.00%	500	*	0.00%
H. A. Mafatlal	6,992	0.01%	(99.94%)	1,12,06,120	15.87%	(3.13%)
Anjali K. Agarwal	8,87,150	1.24%	0.00%	8,87,150	1.26%	0.00%
P. H. Mafatlal	500	*	0.00%	500	*	(3.99%)
KSJ Trading Private Limited	1,11,525	0.16%	0.00%	1,11,525	0.16%	0.00%
NOCIL Limited	97,73,475	13.67%	0.00%	97,73,475	13.84%	(0.05%)
Sumil Trading Private Limited	2,70,91,630	37.89%	0.00%	2,70,91,630	38.37%	16.21%
Shri H. A. Mafatlal Public Charitable Trust No 1	1,20,640	0.17%	0.00%	1,20,640	0.17%	0.00%
Seth Navinchandra Mafatlal Foundation Trust No 1	82,530	0.12%	0.00%	82,530	0.12%	0.00%
	5,00,22,470	69.96%		5,00,22,470	70.86%	

* % 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, 2024	As at March 31, 2023
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.

(8) Pursuant to the approval of the shareholders of the Company on November 7, 2022 through postal ballot ("e-voting"), each equity share of face value of ₹ 10/- per share was sub-divided into five equity shares of face value of ₹ 2/- per share, with effect from the record date, i.e., November 25, 2022.

* 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 18 - Reserves and surplus

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium	181.48	177.44
Retained Earnings	(92.71)	(191.17)
General Reserve	6.20	6.20
Capital Reserve No.1	0.61	0.61
Capital Reserve No. 2	0.35	0.35
Capital Reserve on Amalgamation	36.34	36.34
Capital Redemption Reserve	83.83	83.83
Capital Investment Reserve	0.76	0.76
Investment Reserve	0.02	0.02
ESOP Reserve	1.35	2.58
Export Profit Reserve	0.20	0.20
Other reserves:		
FVOCI - Equity instruments	581.65	483.17
Total	800.08	600.33

(i) Securities Premium

Securities Premium is used to record the premium on issue of shares. This is utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	177.44	176.99
Add: Movement during the year	4.76	0.45
Add: Transfer / adjustment	(0.72)	-
Balance at the end of the year	181.48	177.44

(ii) Retained Earning

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(191.17)	(227.07)
Add: Profit for the year	98.75	37.18
Less: Other comprehensive income	(1.01)	(2.34)
Add: Transfer of gain on FVOCI Equity Instruments to Retained Earnings	-	1.06
Add: Transfer / adjustment	0.72	-
Balance at the end of the year	(92.71)	(191.17)

(iii) General Reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	6.20	6.20
Add: 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 utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.61	0.61
Add: Movement during the year	-	-
Balance at the end of the year	0.61	0.61

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.35	0.35
Add: Movement during the year	-	-
Balance at the end of the year	0.35	0.35

(vi) Capital Reserve on Amalgamation

The said reserve has arisen out of amalgamation with 'Mafatlal Denim Limited'

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	36.34	36.34
Add: Movement during the year	-	-
Balance at the end of the year	36.34	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, 2024	As at March 31, 2023
Balance at the beginning of the year	83.83	83.83
Add: Movement during the year	-	-
Balance at the end of the year	83.83	83.83

(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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.76	0.76
Add: 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, 2024	As at March 31, 2023
Balance at the beginning of the year	0.02	0.02
Add: Movement during the year	-	-
Balance at the end of the year	0.02	0.02

(x) ESOP Reserve

The said reserve has arisen on account of ESOP scheme announced by the Group.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.58	0.78
Add: Employee share-based payment expense (Refer Note 38)	0.17	1.92
Less: Employee share options exercised during the year	(1.40)	(0.12)
Balance at the end of the year	1.35	2.58



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(xi) Export Profit Reserve

The said reserve has arisen due to amalgamation with the Mafatlal Fine Spinning and Manufacturing Co. Ltd.

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	0.20	0.20
Add: 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, 2024	As at March 31, 2023
Balance at the beginning of the year	483.17	592.99
Add: Change in fair value of FVOCI equity instruments	98.48	(108.76)
Less: Transfer of gain on FVOCI equity instruments to Retained Earnings	-	(1.06)
Balance at the end of the year	581.65	483.17

Also refer Note 49(b).

Note 19 - Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii) (iii) and (iv) below]	26.13	23.47
(b) For vehicle loans [Refer Note no.(v) below]	1.06	1.44
(c) From financial institutions [Refer Note no.(vi) below]	-	1.24
Total	27.19	26.15

During the year, the term loan from consortium of two banks was taken over by one bank, the details of which are included in (i) and (ii) below:

(i) Term loan from a Bank, aggregating to ₹ 7.88 (March 31, 2023: ₹ 11.46).	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 11.50% p.a. (March 31, 2023: 11.50% p.a.).
(ii) Term loan from a Bank, aggregating to ₹ 8.16 (March 31, 2023: ₹ 11.46).	Repayable in 32 monthly installments beginning from September 2023 till April 2026. The rate of interest for the year was in the range of 10.00% p.a. to 11.50% p.a. (March 31, 2023: 11.50% p.a.). This loan was taken over by lead bank during the year.
(iii) Term loan from a Bank, amounting to ₹ 19.83 (March 31, 2023: ₹ NIL).	Repayable in 84 monthly installments beginning from April 2024 till March 2031. The rate of interest for the year was @ 10.00% p.a. (March 31, 2023: NIL).

- All the above term loans are secured by mortgage of an immovable asset (buildings) measuring 14,670 sq. ft. (March 31, 2023: 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 ₹ 6.87 (March 31, 2023: ₹ 14.90) is secured by mortgage of an immovable asset (buildings) measuring 2945 sq. ft. of Mafatlal House at Mumbai and 1922 sq. ft. of Ahmedabad office and pledge over 4,59,542 (March 31, 2023: 12,38,500) shares of NOCIL Limited and a lien on term deposit. (Also Refer Note 12)	Repayable in 8 quarterly installments beginning from June 2023 till March 2025. The rate of interest for the year was in the range of 10.50% p.a. to 11.60% p.a. (March 31, 2023: 10.80% p.a.).
(v) Loans from a Bank, amounting to ₹ 1.44 (March 31, 2023: ₹ 1.79) 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 8.40 % p.a. to 9.65 % p.a. (March 31, 2023: 7.00% p.a. to 8.40% p.a).
(vi) Term loan from a financial institution, amounting to ₹ NIL (March 31, 2023: ₹ 3.72) was secured by charge on movable property, plant and equipment acquired out of said loan and pledge by promoters / promoter companies of certain shareholding in the Company and a lien on term deposit. (Also Refer Note 7)	The term loan was repaid in October 2023. The rate of interest for the year was @ 10.50 % p.a. (March 31, 2023: 10.20 % p.a. to 10.50 % p.a.).

The amounts mentioned include installments falling due within a year aggregating to ₹ 16.99 (March 31, 2023: ₹ 17.18) which have been grouped under "Current Borrowings" [Refer Note 22].

For Liquidity risk information, refer Note 39.

Note 20 - Non-current - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Trade / Security deposits	3.97	3.98
Advances received against legal matters (Refer Note below)	12.92	12.92
Interest accrued and not due on advance received against legal matters [Refer Note 50(i)]	2.84	2.84
Total	19.73	19.74

Note: Out of the above, advances for ₹ 5.78 (March 31, 2023: ₹ 5.78), Refer Note 50(i).

Note 21 - Non-current - Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred income on Government Grant (Refer Note 47)	0.41	0.95
Contract liabilities - Unearned revenue [Refer Note 26(a)]	2.35	-
Total	2.76	0.95

Note 22 - Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From Banks		
Working Capital loans*	-	14.88
Current loans against properties **	37.42	35.33
Current maturities of long-term debt (Refer Note 19)		
(i) From Banks	16.61	14.35
(ii) For vehicle loans	0.38	0.35
(iii) From financial institutions	-	2.48
Interest accrued but not due on borrowings	0.07	0.06
Total	54.48	67.45



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

** Current loans against properties from a bank aggregating to ₹ 24.95 (March 31, 2023: ₹ 19.37) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2023: 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 10.75% p.a. to 11.50% p.a. (March 31, 2023: 11.00% p.a. to 13.45% p.a.).

** Current loans against properties from a bank aggregating to ₹ 12.47 (March 31, 2023: ₹ 15.96) is secured by pari-passu charge on Land and Building of the Company at Nadiad measuring 3,66,392 sq. mtr (March 31, 2023: 3,66,392 sq. mtr) which is repayable on demand and carry an interest in the range of 10.00% p.a. to 11.00% p.a. (March 31, 2023: 10.35% p.a. to 12.50% p.a.).

* Working Capital loans from banks aggregating to ₹ NIL (March 31, 2023: ₹ 14.88) are secured by first and second charge on certain stocks and book debts, both present and future, of the Company, charge on certain property, plant and equipment of the Company, pledge of 69,31,818 (March 31, 2023: 46,42,857) 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 9.55% p.a. to 11.50% p.a. (March 31, 2023: 9.00% p.a. to 13.45% p.a.).

For Liquidity risk information, refer Note 39.

Refer Note 48(b) for net debt reconciliation.

Note 23 - Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	6.92	13.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	758.65	357.27
Trade Payables to related parties (Refer Note 42)	0.08	0.18
Total	765.65	370.77

Ageing 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Ageing of Trade Payables as at March 31, 2023

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	3.20	3.64	6.48	-	-	-	13.32
(ii) Others	33.10	135.10	161.74	8.76	9.76	8.99	357.45
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	36.30	138.74	168.22	8.76	9.76	8.99	370.77

Note: For Liquidity risk information, Refer Note 39.

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, 2024	As at March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.78	10.12
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.06	0.31
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	16.98	21.78
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	4.08	2.89

Note 24 - Current - Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed dividends (refer Note below)	0.05	0.14
Trade Deposits	73.34	30.28
Employee benefits payable	4.54	3.58
Total	77.93	34.00

Note: There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.



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, 2024	As at March 31, 2023
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	5.03	4.35
(ii) Provision for Gratuity (Refer Note 41)	7.20	8.33
Total	12.23	12.68

Note 26 - Current - Other liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	2.48	2.50
Contract liabilities [Refer Note 26(a) below]		
(i) Advance from customers	21.25	23.19
(ii) Unearned revenue	0.86	-
Deferred income on Government Grant (Refer Note 47)	0.54	0.74
Refund liabilities [Refer Note 26(b) below]	5.34	-
Others	1.00	1.13
Total	31.47	27.56

Note 26(a) - Revenue recognized in relation to contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue recognized that was included in contract liabilities at the beginning of the period	20.27	4.68

Note: There has been no significant change in contract liabilities.

Note 26(b): Refund Liabilities include:

- (i) Customer refund liabilities for discount payable to customers of ₹ 3.24.
- (ii) Liquidated damages provided on contractual terms when delivery have exceeded or are likely to exceed the delivery terms of ₹ 2.10.

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of Products	2,042.48	1,346.42
Sale of Services	26.96	20.35
Total Revenue from Contract with Customers (A)	2,069.44	1,366.77
Other operating revenue		
Income from waste / scrap sale	1.62	1.63
Processing income	5.94	2.10
Duty drawback and other export incentives	1.64	1.21
Total other operating revenue (B)	9.20	4.94
Total Income [(A) + (B)]	2,078.64	1,371.71

- (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, 2024	Year ended March 31, 2023
Contract price	2,081.75	1,374.95
Adjustments for:		
Discounts and rebates	(7.97)	(7.78)
Liquidated damages	(4.34)	(0.40)
Total Revenue from contract with customers	2,069.44	1,366.77

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(iii) Disaggregation of revenue from contracts with customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The Group derives revenue from the transfer of goods and services in the following geographical regions:		
India	2,033.00	1,329.81
Asia (Excluding India)	34.99	34.45
Others	1.45	2.51
Total Revenue from contract with customers	2,069.44	1,366.77

(iv) The Group derives revenue from the transfer of following goods and services :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Textile and related products	1,546.92	1,321.65
Digital Infrastructure	130.12	45.12
Consumer Durables and others	392.40	-
Total Revenue from contract with customers	2,069.44	1,366.77

Note 28 - Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income on:		
(i) Financial assets at amortised cost		
Term deposits	3.38	1.82
Others	1.37	0.23
(ii) Income tax refund	0.34	1.63
Rental income from investment properties	4.04	3.12
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	4.85	4.65
Dividend income from equity investments designated at fair value through other comprehensive income	7.59	7.59
Apportioned income from Government grants #	0.74	1.02
Miscellaneous income	1.36	2.01
Total	23.67	22.07

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, 2024 (Refer Note 47).

Note 29 - Other gains / (losses)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain on disposal of property, plant and equipment, investment properties and assets held for sale [Refer Notes 3(a), 4 and 16]	30.88	18.50
Net gain from sale of development right certificates	9.27	-
Net gain on sale of subsidiary [Refer Note 49(a)]	-	3.72
Net foreign exchange differences	-	0.91
Total	40.15	23.13



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, 2024	Year ended March 31, 2023
Inventories at the end of the year		
Finished goods	10.74	15.21
Work-in-progress	35.16	31.59
Stock-in-trade (Traded goods)	29.73	54.29
Sub-total (A)	75.63	101.09
Inventories at the beginning of the year		
Finished goods	15.21	8.82
Work-in-progress	31.59	30.75
Stock-in-trade (Traded goods)	54.29	26.93
Sub-total (B)	101.09	66.50
Total (B - A)	25.46	(34.59)
Less: Disposal on sale of subsidiary	-	(0.30)
Total	25.46	(34.89)

Note 31 - Employee benefits expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus, etc.	52.03	43.18
Contributions to provident and other funds [Refer Note 41(ii)(a)]	4.46	3.97
Gratuity expense (Refer Note 41)	1.73	1.55
Staff welfare expenses	2.61	2.54
Employee share-based payment expense (Refer Note 38)	0.17	1.92
Total	61.00	53.16

Note 32 - Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on financial liabilities measured at amortised cost and lease liabilities:		
Interest on borrowings	7.89	12.05
Interest on trade payables	2.88	2.81
Interest on lease liabilities	0.08	0.04
Interest - others	0.31	-
Other borrowing costs	4.18	2.82
Total	15.34	17.72

Note 33 - Depreciation and amortization expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment [Refer Note 3(a)]	13.65	14.20
Depreciation of right-of-use assets [Refer Note 3(b)(i)]	0.32	0.16
Depreciation on investment properties (Refer Note 4)	0.25	0.17
Amortization on intangible assets (Refer Note 5)	0.78	0.90
Total	15.00	15.43

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, 2024	Year ended March 31, 2023
Consumption of stores and spare parts	34.75	36.71
Processing charges	7.78	10.94
Power and fuel	44.79	53.38
Repairs and maintenance		
Buildings	2.74	1.75
Machinery	1.29	2.75
Others	3.24	2.59
Insurance (net)	0.81	0.59
Lease rent #	0.01	0.11
Sales commission	5.05	3.31
Rates and taxes	5.26	3.26
Sub-contracting and distribution charges	70.82	54.08
Transport and freight charges (net)	19.97	14.07
Donations and Charities	0.02	*
Bad Debts written off	1.67	1.41
Less: Allowances there against	(1.67)	(1.41)
Advances written off	0.96	0.27
Legal and professional fees	10.20	8.76
Payments to auditors [Refer Note 34(a)]	0.46	0.50
Directors' fees [Refer Note 42]	0.52	0.67
Net foreign exchange differences	0.09	-
Miscellaneous expenses	22.52	17.29
Total	231.28	211.03

* Amount is below the rounding off norm adopted by the Group.

Lease rent expense pertains to short-term leases.

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to the auditors		
As auditor :		
Statutory audit fees	0.32	0.32
Limited reviews	0.12	0.12
Certifications fees	0.01	0.05
Re-imburement of expenses	0.01	0.01
Total	0.46	0.50

Note 35 - Exceptional Items

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employee severance cost comprising voluntary retirement scheme at Nadiad and Navsari [Refer Note below]	-	0.54
Total	-	0.54

Note: The Group during the previous year had recognized ₹ 0.54 as expense towards compensation payable as full and final settlement to its remaining workers at Navsari location which had been disclosed 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, 2024	Year ended March 31, 2023
Current tax	25.168%	25.168%
Current tax on Profits for the year	-	-
Total current tax	-	-
Deferred tax (credit) / charge		
(Increase) / decrease in deferred tax assets	(13.32)	9.26
Decrease in deferred tax liabilities	(6.39)	(6.47)
Total deferred tax (credit) / charge	(19.71)	2.79
Total tax expense	(19.71)	2.79

36(b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit for the year	79.04	39.86
Statutory income tax rate applicable to Mafatlal Industries Limited	25.168%	25.168%
Tax expense at applicable tax rate	19.89	10.03
Tax effects of amounts which are (deductible) / taxable in calculating taxable income:		
Permanent difference on sale of property, plant and equipment, investments and investment properties and development right certificates	(8.39)	(4.10)
Unrecognized deferred tax for tax losses and other temporary differences	1.63	0.88
Expenses not deductible for tax purposes	0.42	0.38
Income for the year set off against brought forward losses	(13.28)	(6.74)
Differential tax rate due to opting for new regime	-	2.17
Deferred tax recognized for unabsorbed depreciation	(19.71)	-
Others	(0.27)	0.17
Income tax expense as per the Consolidated Statement of Profit and Loss	(19.71)	2.79

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.

36(e) - Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Loss allowance on trade receivables and deposits (net)	7.20	5.31
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	6.96	7.39
Unabsorbed depreciation	14.59	2.39
Total deferred tax assets	28.75	15.09
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(3.72)	(10.11)
Change in fair value of FVOCI equity instruments	(10.10)	-
Deferred tax assets (net)	14.93	4.98

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Movement in deferred tax assets / (liabilities)

Particulars	As at March 31, 2022	Charged/ (Credited) to profit and loss	Charged/ (credited) to OCI	Adjustment on account of sale of subsidiary	As at March 31, 2023
Year ended March 31, 2023					
Loss allowance on trade receivables and deposits (net)	5.77	0.46	-	-	5.31
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	14.05	6.56	-	0.10	7.39
Unabsorbed depreciation	4.63	2.24	-	-	2.39
Property, plant and equipment and intangible assets	(16.58)	(6.47)	-	*	(10.11)
Total deferred tax assets	7.87	2.79	-	0.10	4.98

Particulars	As at March 31, 2023	Charged/ (Credited) to profit and loss	Charged/ (credited) to OCI	Adjustment on account of sale of subsidiary	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	2.39	(12.20)	-	-	14.59
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

The Group has recognized the deferred tax asset on unabsorbed depreciation 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, 2024	As at March 31, 2023
Unabsorbed brought forward depreciation / business losses	241.86	304.30
Potential tax benefit @ 25.168% (March 31, 2023: 25.168%)	60.87	76.59

36(g) - Current tax assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets [Net of provision of tax Rs. 128.43 (March 31, 2023: Rs. 128.43)]	20.55	16.21

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



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 maximise 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, 2024			As at March 31, 2023		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	630.34	1.10	-	521.75	1.10
- Government securities	-	-	0.03	-	-	0.03
Cash and bank balances	-	-	267.70	-	-	73.17
Loans	-	-	0.01	-	-	0.02
Other financial assets	-	-	20.49	-	-	27.49
Trade receivables	-	-	639.20	-	-	285.89
Total financial assets	-	630.34	928.53	-	521.75	387.70
Financial liabilities						
Borrowings	-	-	81.67	-	-	93.60
Trade payables	-	-	765.65	-	-	370.77
Other financial liabilities	-	-	97.66	-	-	53.74
Total financial liabilities	-	-	944.98	-	-	518.11

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements - Level 1

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted equity investments measured at fair value	630.34	521.75

Difference between fair value of non-current financial instruments carried at amortised 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 amortised 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 05, 2017 and finalised on August 10, 2017. At the Annual General Meeting held on August 02, 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 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 01, 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 with sub-division of equity shares effective from November 25, 2022. Disclosures have been made after giving effect to the sub-division of equity shares. [Refer Note 17(8)].

(b) Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2024		As at March 31, 2023	
	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	1,61,500	64.54	1,90,000
Options granted on August 01, 2019	15.73	47,000	15.73	2,87,500
Options granted on May 28, 2022	36.20	15,25,000	-	-
Granted during the year				
Options granted on May 28, 2022	-	-	36.20	16,00,000
Exercised during the year				
Options granted on November 10, 2017	64.54	1,19,000	-	-
Options granted on August 01, 2019	15.73	35,000	15.73	2,40,500
Options granted on May 28, 2022	36.20	7,51,500	-	-
Forfeited during the year				
Options granted on May 28, 2022	36.20	-	36.20	75,000
Expired during the year				
Options granted on November 10, 2017	64.54	10,000	64.54	28,500
Closing 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
Vested and exercisable		8,18,000		2,08,500

Note: The earlier exercise price of the options granted on November 10, 2017, August 01, 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].



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(c) The weighted average share price at the dates of exercise of the options exercised during the year ended March 31, 2024 was ₹ 144.06 per share (March 31, 2023: ₹ 52.58 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, 2024	Share options March 31, 2023	Fair value of options at grant date [see note (a)(vi) above] (in ₹)
November 10, 2017	November 10, 2019	November 10, 2023	64.54	-	38,000	25.34
November 10, 2017	November 10, 2020	November 10, 2024	64.54	15,000	57,000	29.24
November 10, 2017	November 10, 2021	November 10, 2025	64.54	17,500	66,500	31.24
August 01, 2019	August 01, 2020	August 01, 2024	15.73	12,000	47,000	5.02
May 28, 2022	May 28, 2023	May 28, 2027	36.20	7,73,500	15,25,000	13.76
Total				8,18,000	17,33,500	

Weighted average remaining contractual life of options outstanding at end of period	3.04 years	3.86 years
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(e) Fair Value of options granted**The model inputs for options granted on November 10, 2017 included [see note (a)(vi) above]:**

- 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.
- exercise price: ₹ 64.54 per option
- grant date: November 10, 2017
- expiry date: November 10, 2022 - November 10, 2025
- share price at grant date: ₹ 62.82 per share
- expected price volatility of the Company's shares: 48.32%-51.99%
- expected dividend yield: 1.69%
- 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 (a)(vi) above]:

- 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.
- exercise price: ₹ 15.73 per option
- grant date: August 01, 2019
- expiry date: August 01, 2024
- share price at grant date: ₹ 15.73 per share
- expected price volatility of the Company's shares: 42.29%
- expected dividend yield: 0%
- 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

The model inputs for options granted on May 28, 2022 included [see note (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.

(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, 2024	Year ended March 31, 2023
Employee share-based payment expense (Refer Note 31)	0.17	1.92

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 availability under committed 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:

Particulars	As at March 31, 2024	As at March 31, 2023
Expiring within one year (Current Borrowing facilities)	62.58	44.79
Expiring beyond one year	-	-

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, 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	-
As at March 31, 2023	Less than 12 months	1 year to 3 years	More than 3 years
Non current borrowings (including current maturity of long term debt)	19.76	28.18	0.67
Current borrowings*	50.21	-	-
Trade payables	370.77	-	-
Trade / Security deposits	30.28	2.72	1.26
Lease liabilities	0.37	0.45	0.11
Other financial liabilities (excluding trade / security deposits)	3.72	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 may 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.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024	31.52	(31.52)
March 31, 2023	26.09	(26.09)

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 amortised 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, 2024, approximately 54.23% of the Group's borrowings is at variable rate of interest (March 31, 2023: 73.54%).

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, 2024	As at March 31, 2023
Variable rate borrowings	44.29	68.83
Fixed rate borrowings	37.38	24.77

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, 2024	(0.11)	0.11
March 31, 2023	(0.17)	0.17

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.

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and AED.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024		As at March 31, 2023	
	Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
	₹ in Crores	(Amount in Foreign currency) (in full numbers)	₹ in Crores	(Amount in Foreign currency) (in full numbers)
Trade receivables	6.35	USD 7,61,412	7.96	USD 9,68,971
	2.27	AED 10,01,013	5.72	AED 25,55,363

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, 2024	0.43	(0.43)
March 31, 2023	0.68	(0.68)

(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 equivalent, 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 equivalent, 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 amortised 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).

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 forwarding-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 receivables 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 ageing 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, 2024	As at March 31, 2023
Balance as at beginning of the year	2.64	0.99
Add: Created during the year	-	1.65
Less: Utilised 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, 2024	As at March 31, 2023
Balance as at beginning of the year	18.79	15.86
Add: Created during the year	9.17	4.34
Less: Utilised during the year	(1.67)	(1.41)
Balance as at the end of the year	26.29	18.79

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.



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, 2023

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)	-	153.95	4.46	3.37	0.85	4.20	166.83
Gross carrying amount – trade receivables (considered on individual basis) *	-	108.61	3.48	0.76	0.99	15.33	129.17
Gross carrying amount – trade receivables Credit Impaired	-	-	-	-	-	8.68	8.68
Total	-	262.56	7.94	4.13	1.84	28.21	304.68
Expected loss rate	0.62%	0.62%	8.73%	21.98%	43.06%	100.00%	
Expected credit losses - trade receivables (based on provision matrix)	-	0.95	0.39	0.74	0.36	4.20	6.64
Expected credit losses - trade receivables (considered on individual basis)	-	-	-	-	-	3.47	3.47
Provision due to credit impaired - trade receivables	-	-	-	-	-	8.68	8.68
Loss allowance	-	0.95	0.39	0.74	0.36	16.35	18.79
Carrying amount of trade receivables (net of loss allowance)	-	261.61	7.55	3.39	1.48	11.86	285.89

* Mainly includes trade receivables in relation to sales made to government customers or sub-contractors to government.

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, 2024	As at March 31, 2023
Total Debt (total borrowings + lease liabilities) (A)	82.14	94.35
Total Equity (B)	814.39	614.46
Debt to equity ratio (A/B) (in times)	0.10	0.15

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,
- Current ratio above 1,
- Interest service coverage ratio above 1.20,
- Debt service coverage ratio above 1,

(ii) Non financial covenants:

- The Group to take prior written 'No Objection Certificate (NOC)' from the bank before dilution of shareholding in NOCIL Limited below 10%.

As at March 31, 2024 and as at March 31, 2023, the Group has complied with the applicable covenants.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2024	As at March 31, 2023
Compensated Absences (Refer Note 25)	5.03	4.34
Gratuity (Refer Note 25)	7.20	8.33
Total	12.24	12.67

(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.

Particulars	As at March 31, 2024	As at March 31, 2023
Current leave obligations not expected to be settled within the next 12 months	3.84	3.32

(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 ₹ 4.46 (March 31, 2023: ₹ 3.97) (Refer Note 31).

(b) Defined Benefit Plans:

Gratuity

The Group provides for gratuity for employees 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, 2022	18.18	9.20	8.98
Interest Expense / (Income)	1.29	0.66	0.63
Current Service Cost	0.92	-	0.92
Total amount recognized in the consolidated Statement of Profit and Loss	2.21	0.66	1.55
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.07	(0.07)
(Gain) / loss from change in financial assumptions	0.90	-	0.90
Experience (gains) / losses	1.51	-	1.51
Total amount recognized in Other Comprehensive Income	2.41	0.07	2.34
Employer Contributions	-	4.40	(4.40)
Benefit Payments	(0.38)	(0.38)	-
Disposal on sale of subsidiary	(0.14)	-	-
Balance as on March 31, 2023	22.28	13.95	8.33

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 consolidated Statement of Profit and Loss	2.77	1.04	1.73
<i>Remeasurements</i>			
Return on plan assets, excluding amount included in interest expense / (income)	-	0.50	(0.50)
(Gain) / loss from change in financial assumptions	1.19	-	1.19
Experience (gains) / 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

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, 2022	16.91	17.55	(0.64)
Opening Balance adjustment	(0.19)	-	(0.19)
Interest Expense / (Income)	1.35	1.35	-
Current Service Cost	0.73	-	0.73
Employee Contributions	0.95	1.68	(0.73)
Liabilities transferred in	0.21	0.21	-
Return on plan assets	-	(0.32)	0.32
Benefit Payments	(0.86)	(0.86)	-
Balance as on March 31, 2023*	19.10	19.61	(0.51)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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 / (Income)	1.53	1.53	-
Current Service Cost	0.85	-	0.85
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)

* 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, 2024	As at March 31, 2023
Present Value of Obligations	26.49	22.28
Fair Value of Plan Assets	19.29	13.95
Net Liability	7.20	8.33

PROVIDENT FUND

Particulars	As at March 31, 2024	As at March 31, 2023
Present Value of Obligations	21.50	19.10
Fair Value of Plan Assets	21.79	19.61
Net Asset *	(0.29)	(0.51)

* Excess of the asset over liability is not recognized in the Consolidated Financial Statements

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Discount Rate / Return on plan assets		
Gratuity	7.19%	7.47%
Guaranteed Return		
Provident fund	8.25%	8.15%
Rate of salary increase		
Gratuity	6.50%	6.00%
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)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Sensitivity Analysis

The sensitivity of the defined benefit obligation to increase and decrease in the weighted principal assumptions by 0.50% is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Discount Rate / Return on plan assets				
Gratuity	(0.77)	(0.65)	0.82	0.69
Rate of salary increase				
Gratuity	0.82	0.70	(0.78)	(0.66)
Rate of employee turnover				
Gratuity	0.02	0.04	(0.03)	(0.04)

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, 2024	As at March 31, 2023
Central Government of India bonds	15.71%	13.60%
State Government Securities	22.16%	26.11%
Special Deposits Scheme	7.83%	9.14%
Debt Instruments/Mutual Funds	49.71%	48.49%
Others	4.59%	2.66%

(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 increases 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, 2025 are ₹ 2.28

The weighted average duration of the defined benefit obligation is 7 years (March 31, 2023: 7 years).

The expected maturity analysis of undiscounted gratuity is as follows:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2024	As at March 31, 2023
1st Following Year	3.72	2.87
2nd Following Year	1.44	1.01
3rd Following Year	3.89	1.68
4th Following Year	2.35	4.03
5th following year	2.52	2.06
Sum of 6 to 10	13.29	11.73
Sum of 11 and above	18.71	15.90

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)
- Pradip N. Kapadia (Non Executive Independent Director)
- Latika P. Pradhan (Non Executive Independent Director)
- Gautam G. Chakravarti (Non Executive Independent Director)
- Sujal A. Shah (Non Executive Independent Director)

B) Individual having control:

- H. A. Mafatlal

C) Entity having significant influence:

- Sumil Trading Private Limited

D) Enterprises over which KMP or their relatives have control / significant influence (with whom transactions have taken place):

- NOCIL Limited
- MAF Technologies Private Limited
- Vrata Tech Solutions Private Limited (VT SPL) (w.e.f. July 01, 2022) [Refer Note 49(a)]
- Sumil Trading Private Limited
- Intensive Clothing Care Unit
- Indivar Foundation

E) 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.



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, 2024	Year ended March 31, 2023
Directors Remuneration		
Employee benefit expenses #		
Priyavrata H. Mafatlal	2.58	2.02
Directors' sitting fees		
Latika P. Pradhan	0.08	0.11
Atul K. Srivastava	0.06	0.07
Pradip N. Kapadia	0.09	0.12
Gautam G. Chakravarti	0.10	0.13
Sujal A. Shah	0.09	0.11
Vilas R. Gupte	0.10	0.13
Total compensation	3.10	2.69

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 ₹ 0.26 (March 31, 2023: ₹ 0.21) 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, 2024	Year ended March 31, 2023
(i) Revenue from contract with customer		
Sumil Trading Private Limited	0.10	-
Vrata Tech Solutions Private Limited	0.19	-
(ii) Other Income - Utility / business service / air-conditioning charges and other receipts in respect of investment properties		
NOCIL Limited	0.11	0.10
Intensive Clothing Care Unit	0.04	0.39
(iii) Other income - Rental income		
Sumil Trading Private Limited	0.05	0.05
Vrata Tech Solutions Private Limited	0.02	0.01
Indivar Foundation	0.02	
(iv) Other income - Dividend Income		
NOCIL Limited	7.58	7.58
(v) Lease rent paid		
Sumil Trading Private Limited	0.21	0.08
(vi) Purchase of Property, plant and equipment / intangible assets		
Vrata Tech Solutions Private Limited	0.20	0.63
(vii) Finance costs - Interest expense		
Sumil Trading Private Limited	-	0.45
(viii) Other expenses		
Sumil Trading Private Limited (Miscellaneous expenses)	-	0.05
Intensive Clothing Care Unit (Miscellaneous expenses)	0.01	0.03
Vrata Tech Solutions Private Limited (Repairs and maintenance - others - software support services)	1.10	1.42

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Nature of transaction	Year ended March 31, 2024	Year ended March 31, 2023
(ix) Recovery of expenses (net)		
Vrata Tech Solutions Private Limited	-	0.01
MAF Technologies Private Limited	-	*
Sumil Trading Private Limited	-	0.01
Intensive Clothing Care Unit	0.02	0.21
(x) Payment for Post employment benefit plan		
The Mafatlal Gagalbhai & Sons and the associate concerns officer's superannuation scheme	0.33	0.30
Mafatlal Industries Limited Employee's Gratuity Fund	4.14	4.40
Mafatlal Industries Limited Employee's Provident Fund	1.94	1.68
(xi) Proceeds from sale of subsidiary (VTSP)		
Sumil Trading Private Limited [Refer Note 49(a)]	-	4.07

* Amount is below the rounding off norm adopted by the Group.

C) Outstanding balances with related parties referred in (I) above:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade receivables		
NOCIL Limited	0.01	-
Sumil Trading Private Limited	0.01	-
Intensive Clothing Care Unit	0.48	0.55
(ii) Trade payables		
Sumil Trading Private Limited	-	0.02
Intensive Clothing Care Unit	0.05	-
Vrata Tech Solutions Private Limited	0.03	0.16
(iii) Advance to Suppliers		
Sumil Trading Private Limited	0.01	-
(iv) Investments in Related Parties		
NOCIL Limited	629.71	521.09
(v) Employee benefits payable		
Priyavrata H. Mafatlal	0.40	-

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.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 43 - Contingent liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax matters	27.28	27.28
Central excise, sales tax and related matters	2.40	2.40
Central excise and service tax matters	29.61	29.61
Labor law matters	0.47	1.06
Director General of Foreign Trade matters	0.05	0.05
Total	59.81	60.40

(a) The Group is a lessee in respect of the land on which Mafatlal Centre and Mafatlal Chambers is erected. In this regard:

In case of Mafatlal Centre:

A demand for ₹ 26.97 (March 31, 2023: ₹ 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 rateable value of Municipal taxes. The demand had been challenged by owners of various floors and during the current 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. The Group is awaiting the final No Objection Certificate from BMC.

In case of Mafatlal Chambers:

A demand for ₹ 7.93 (March 31, 2023: ₹ 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 Honourable Bombay High Court, the BMC has granted hearing to the Group and the final outcome is awaited.

- (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 judgement 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 judgement 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, 2024	As at March 31, 2023
Property, Plant and equipments	-	0.17
Less: Capital advances (Refer Note 8)	-	(0.17)
Net capital commitments	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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:

- Textile and related products
- Digital Infrastructure*
- Consumer Durables and others (from the current year ended March 31, 2024)

* Erstwhile known as technology and related products.

Segment revenue and results:

The expenses and income 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, 2024				Year ended March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Income							
Segment Revenue	1,556.12	130.12	392.40	2,078.64	1,326.59	45.12	1,371.71
Other income	5.35	-	-	5.35	9.87	-	9.87
Total Income	1,561.47	130.12	392.40	2,083.99	1,336.46	45.12	1,381.58
Segment Result	45.82	12.92	5.14	63.88	42.39	4.39	46.78
Add/(Less) :							
Unallocated income / (expense) (net)				31.65			12.40
Unallocated depreciation and amortization				(1.15)			(1.06)
Unallocable finance cost				(15.34)			(17.72)
Profit before exceptional items and tax				79.04			40.40
Exceptional Items (Net) (Refer note 35)				-			(0.54)
Profit before tax				79.04			39.86

Particulars	As at March 31, 2024				As at March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Other Information:							
Segment Assets	579.94	54.62	207.43	841.99	602.14	0.93	603.07
Unallocable assets #				964.30			571.80
Total Assets				1,806.29			1,174.87
Segment Liabilities	517.77	39.53	324.86	882.16	442.82	1.27	444.09
Unallocable liabilities							
Borrowings				81.67			93.60
Others				28.07			22.72
Total Liabilities				991.90			560.41

Unallocable assets are majorly pertaining to investments.

* Erstwhile known as technology and related products.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Year ended March 31, 2024				Year ended March 31, 2023		
	Textile and related products	Digital Infrastructure*	Consumer Durables and others	Total	Textile and related products	Digital Infrastructure*	Total
Capital Expenditure:							
Segment capital expenditure	1.54	3.21	-	4.75	12.29	-	12.29
Unallocated capital expenditure				1.27			3.17
Total capital expenditure				6.02			15.46
Depreciation and Amortization:							
Segment depreciation and amortization	13.44	0.41	-	13.85	14.37	-	14.37
Unallocated depreciation and amortization				1.15			1.06
Total depreciation and amortization				15.00			15.43
Significant non-cash expenditure (other than depreciation and amortization):							
Segment significant non-cash expenditure	10.13	-	-	10.13	6.26	-	6.26
Unallocated significant non-cash expenditure				-			-
Total significant non-cash expenditure (other than depreciation and amortization)				10.13			6.26
Additions to non-current assets							
Segment additions to non current assets	-	-	-	-	0.17	-	0.17
Unallocated additions to non current assets				-			-
Total Additions to non-current assets				-			0.17

* Erstwhile known as technology and related products.

(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, 2024	Year ended March 31, 2023
India	2,042.20	1,334.75
Asia (Excluding India)	34.99	34.45
Others	1.45	2.51
Total	2,078.64	1,371.71

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, 2024	As at March 31, 2023
India	86.13	95.51
Asia (Excluding India)	-	-
Others	-	-
Total	86.13	95.51

The Group has revenue of more than 10% from the following customers:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
The Directorate of Food and Consumer Affairs, Jharkhand	440.45	151.72
Maharashtra Building and Maharashtra Building and Other Construction Workers Welfare Board	342.79	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note 46 - Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic Earnings Per Share		
Profit for the year as per the Consolidated Statement of Profit and Loss	98.75	37.07
Weighted average number of shares for the purposes of basic earnings per share (in numbers)	7,09,38,624	7,04,60,322
Basic Earnings Per Share (in ₹)	13.92	5.26
Diluted Earnings Per Share		
Profit for the year as per the Consolidated Statement of Profit and Loss	98.75	37.07
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (in numbers)	7,18,08,337	7,10,48,027
Diluted Earnings Per Share (in ₹)	13.75	5.22
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	7,09,38,624	7,04,60,322
Adjustment for calculation of diluted earning per share:		
Employees stock option [Refer Note below]	8,69,713	5,87,705
Weighted average number of shares used as the denominator for calculating diluted earnings per share	7,18,08,337	7,10,48,027

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 fulfilment 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 unamortised 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, 2024	As at March 31, 2023
Opening balance	1.69	2.71
Grants during the year	-	-
Less: Released to Consolidated Statement of Profit and Loss [Refer Note 28]	(0.74)	(1.02)
Closing balance	0.95	1.69
Description	As at March 31, 2024	As at March 31, 2023
Current portion (Refer Note 26)	0.54	0.74
Non-current portion (Refer Note 21)	0.41	0.95
Total	0.95	1.69



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

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, 2024	As at March 31, 2023
Current		
Financial assets		
Trade receivables	637.65	285.55
Non-financial assets		
Inventories	79.92	106.24
Total Current assets pledged as security	717.57	391.79
Non-current		
Financial assets		
Trade receivables	1.07	-
Investments	184.27	121.33
Deposit with bank	0.83	2.31
Non-financial assets		
Land	0.05	0.05
Building	17.49	17.30
Plant and Machinery	56.43	67.23
Investment Properties	0.03	0.04
Vehicles	2.38	2.73
Total non-current assets pledged as security	262.55	210.99
Total assets pledged as security	980.12	602.78

Note 48(b) - Net debt reconciliation

Particulars	As at March 31, 2024	As at March 31, 2023
Current borrowings (excluding current maturities of long-term debt)	(37.42)	(50.21)
Non-current borrowings	(27.19)	(26.15)
Current maturities of long term debt	(17.06)	(17.24)
Lease liabilities	(0.46)	(0.75)
Total debt	(82.13)	(94.35)
Cash and cash equivalents	182.25	48.85
Net debt	100.12	(45.50)

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, 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
Net debt as at April 01, 2022	53.69	(58.28)	(53.74)	(1.04)	(59.37)
Cash flows	(4.84)	14.70	3.53	0.28	13.67
Interest expense	-	(6.03)	(6.02)	(0.04)	(12.09)
Interest paid	-	6.22	6.02	0.04	12.28
Non cash movements for acquisitions and disposals	-	-	-	0.01	0.01
Net debt as at March 31, 2023	48.85	(43.39)	(50.21)	(0.75)	(45.50)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

Note - 49
(a) Sale of subsidiary

- (a) During the previous year ended March, 31 2023, the Board of Directors of the Company approved the divestment of its investment in Vrata Tech Solutions Private Limited (VTS), a Subsidiary company representing 77.78% of the paid-up share capital of VTS. As a result, a Share Purchase Agreement was entered on June 20, 2022 with a promoter group company (Sumil Trading Private Limited) for the total consideration of ₹ 4.07 (based on fair value of equity share of VTS carried-out by the independent valuer) which was concluded on June, 30 2022. Subsequent to this transaction, VTS ceased to be a subsidiary of the Company with effect from June 30, 2022.

Financial information relating to VTS for the period to the date of disposal is set out below:

(i) Financial performance and cash flow information

Particulars	Year ended March 31, 2023
Revenue	0.99
Expenses	1.49
Loss before tax	(0.50)
Loss is attributable to:	
Owners of Mafatlal Industries Limited	(0.39)
Non Controlling Interest	(0.11)
Gain on sale of the subsidiary after income tax [see note (ii) below]	3.72
Other comprehensive income	-
Cash Flows:	
Net cash outflow from operating activities	(0.82)
Net cash outflow from investing activities	(0.04)
Net cash outflow from financing activities	0.55

(ii) Details of the sale of the subsidiary

Particulars	Year ended March 31, 2023
Consideration received	4.07
Carrying amount of net assets disposed (net of non-controlling interest in VTS)	(0.35)
Net gain on sale of subsidiary	3.72

The carrying amounts of assets and liabilities as at the date of sale (i.e. June 30, 2022) were as follows:

Particulars	As at June 30, 2022
Property, plant and equipment	0.13
Right-of-use assets	0.97
Inventories	0.30
Non-current - Other financial assets	0.13
Deferred tax assets (Net)	0.10
Trade receivables	0.40
Cash and cash equivalents	0.51
Other current assets	0.38
Total assets	2.92
Provisions	0.42
Other Financial liabilities	0.75
Lease liabilities	0.73
Trade payables	0.20
Other current liabilities	0.36
Total liabilities	2.46
Net assets	0.46
Less: Non-controlling interest	(0.11)
Carrying amount of net assets disposed (net of non-controlling interest in VTS)	0.35



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

- (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') has approved the Scheme with the Appointed Date / Effective Date as March 31, 2024, against which the Company has filed an interlocutory application on May 06, 2024 seeking modification with a plea to reinstate the Appointed date of April 01, 2022 in the NCLT order, in accordance with the Scheme filed on October 10, 2023. The NCLT order with respect to the interlocutory application is awaited. The Company proposes to give the accounting effect prescribed in the Scheme on receiving the approval for the aforesaid interlocutory application from the NCLT which is supported by a legal opinion obtained by the Company.

Note 50: Interests in other entities**(a) Subsidiaries**

The Consolidated Financial Statements present the Consolidated Accounts of Mafatal Industries Limited with its following subsidiary:

Name of the subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Mafatal Services Limited (MSL)	India	88.00%	88.00%	12.00%	12.00%

(b) Non-controlling interests (NCI)

Set out below is summarised financial information of the non-controlling interest of the subsidiary before inter-company eliminations.

Summarised balance sheet	As at March 31, 2024	As at March 31, 2023
Current assets	0.15	0.13
Current liabilities	0.03	0.02
Net current assets	0.12	0.11
Non-current assets	*	*
Non-current liabilities	0.07	0.06
Net non-current assets	(0.07)	(0.06)
Net assets	0.05	0.05
Accumulated NCI	0.01	0.01
Summarised statement of Profit and Loss	As at March 31, 2024	As at March 31, 2023
Revenue	0.36	1.81
Profit for the year	-	(0.50)
Total comprehensive income	-	(0.50)
Profit allocated to NCI	-	(0.11)
Dividends paid to NCI	-	-
Summarised cash flows	As at March 31, 2024	As at March 31, 2023
Cash flows from operating activities	(0.01)	(0.81)
Cash flows from investing activities	*	(0.04)
Cash flows from financing activities	-	0.55
Net (decrease) in cash and cash equivalents	(0.01)	(0.30)

(c) Transactions with Non-Controlling interest

There are no transactions with non-controlling interests for any of the reported years.

* 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, 2024		March 31, 2023	
	As a % of Consolidated	Amount	As a % of Consolidated	Amount
Parent				
Mafatlal Industries Limited				
Net Assets i.e Total assets minus total liabilities	99.99%	814.34	99.99%	614.41
Share in profit	100.00%	98.75	101.11%	37.48
Share in other comprehensive income	100.00%	97.47	100.00%	(111.10)
Share in total comprehensive income	100.00%	196.22	99.44%	(73.62)
Subsidiaries				
Mafatlal Services Limited and Vrata Tech Solutions Pvt. Ltd (till June 30, 2022.)				
Net Assets i.e Total assets minus total liabilities	0.01%	0.05	0.01%	0.05
Share in profit or (loss)	0.00%	-	(1.11%)	(0.41)
Share in other comprehensive income	0.00%	-	0.00%	-
Share in total comprehensive income	0.00%	-	0.56%	(0.41)

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, 2024 (₹ 0.84 upto March 31, 2023) 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 accrued) 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 liabilities (Refer Note 20).
- (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.

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 such entities are as under:

Name of the entity	% Holding of the Group	
	As at March 31, 2024	As at March 31, 2023
Mafatlal Services Limited (subsidiary incorporated in India)	88.00%	88.00%
Ibiza Industries Limited	54.89%	54.89%
Sunanda Industries Limited	94.00%	94.00%
Al Fahim Mafatlal Textile LLC-UAE	49.00%	49.00%
Mafatlal Engineering Industries Limited	22.18%	22.18%



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

- (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, 2024	Year ended March 31, 2023
Employee benefits expense	0.89	0.80
Consumables	0.03	0.04
Repairs and Maintenance	0.02	0.01
Total	0.94	0.85

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.

(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) Utilisation 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:

- 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
- 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:

- 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(All amounts in ₹ Crores, unless otherwise stated)

(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) Utilisation 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.

Note 56 - The Consolidated Financial Statements were authorised for issue by the Board of Directors on May 27, 2024.

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

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024

Place: Mumbai
Date: May 27, 2024



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 statement of the subsidiary and the joint venture.

Part "A" Subsidiaries

(All amounts in ₹ Crores, unless otherwise stated)

Sr. No	Particulars	Mafatlal Services Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2023 to March 31, 2024
2.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the each of foreign subsidiaries	₹
3.	Share capital	3.10
4.	Other Equity	(3.05)
5.	Total assets	0.15
6.	Total Liabilities	0.10
7.	Investments	-
8.	Turnover	0.36
9.	Profit before taxation	-
10.	Provision for taxation	-
11.	Profit after taxation	-
12.	Proposed Dividend	-
13.	% of shareholding	88%

- Names of subsidiaries which are yet to commence operations: None.
- 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 **110th Annual General Meeting ('AGM')** is scheduled to be held on **Friday, August 2, 2024, at 3:30 p.m. (IST)** through video conferencing ('VC') / other audio-visual means ('OAVM').

The Annual Report for 2023-24 along with Notice of the AGM is available and can be downloaded from the Company's website www.mafatlals.com under "Investors" section and on the website of Kfin Technologies Limited ('KFintech') the Registrar & 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 **Tuesday, July 30, 2024 (9:00 a.m. IST) and ends on Thursday, August 1, 2024 (5:00 p.m. IST)**.

During this period, Members holding shares either in physical form or in dematerialized form as on Friday, July 26, 2024, 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 26, 2024 (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 & ATTENDANCE AT AGM:

1. e-AGM: 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 for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Members are requested to register their email 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 email IDs may send an email request to inward.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),



INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING (Contd.)

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 email 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 from 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, email 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>

[com](https://emeetings.kfintech.com) and click on "Speaker Registration, by mentioning the demat account number/folio number, city, email 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 email address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at agm.speaker@mafatlals.com from **Sunday, July 28, 2024 (9:00 a.m. IST) and ends on Wednesday, July 31, 2024 (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 email their questions in advance concerning the financial statements or any other matters till **5.00 p.m. (IST), on Friday, July 26, 2024 email 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 26, 2024** (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. 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 email.
- 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 email. 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

INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING (Contd.)

- 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 email 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 **Tuesday, July 30, 2024 (9.00 a.m. IST) till Thursday, August 1, 2024 (5.00 p.m. IST)**. Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.
 - 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 email 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
<p>1. User already registered for IDeAS facility: URL: https://eservices.nsd.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.</p>	<p>1. Existing user 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.</p>
<p>2. User not registered for IDeAS e-Services To register click on link : https://eservices.nsd.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.</p>	<p>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.</p>



INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING (Contd.)

NSDL	CDSL
<p>3. By visiting the e-Voting website of NSDL URL: https://www.evoting.nsd.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.</p>	<p>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.</p>

Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



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 email.

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 email. 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 reasons

- xv. 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 26, 2024**. 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, June 28, 2024**, may obtain the User ID and Password in the manner as mentioned below:

INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING (Contd.)

- (a) If the mobile number of the Member is registered against Folio No./DP ID and Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID and Client ID to No. 9212993399 Example for NSDL: MYEPWD <SPACE> IN12345612345678 Example for CDSL: MYEPWD <SPACE> 1402345612345678 Example for Physical: MYEPWD <SPACE> XXXX1234567890
- (b) If e-mail address or mobile number of the Member is registered against Folio No./DP ID and Client ID, then on the home page of [https:// evoting.kfintech.com](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.
- xvi. Members who have not registered their email 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 email 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 casted 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 email: janhavi.joshi@kfintech.com Tele. No.040 67161769 OR Mr. Kotamaraju Naga Saran (Executive) at Email: saran.kotamaraju@kfintech.com Tele. No. 040 67161769 OR the Company's officials Mr. Harsh Patel, Manager / Mr. Dinesh Patni, Asst. Manager at 079-26444404-06 or may email query at ahmedabad@mafatlals.com.



ARVIND MAFATLAL GROUP
The ethics of excellence

MAFATLAL INDUSTRIES LIMITED

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