GMM/SEC/2024-25/27 July 15, 2024

To,
BSE Limited
Scrip Code: 505255

National Stock Exchange of India Limited
Symbol: GMMPFAUDLR

Sub.: Annual Report of the Company and Notice convening the 61st Annual General Meeting

Ref.: Regulation 30(2), Regulation 34 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Dear Sir/ Ma'am,

Enclosed please find the Notice convening the 61st Annual General Meeting ("AGM") and the Annual Report of the Company for the financial year 2023-24. The Notice of the AGM is given on Page Nos. 108 to 126 of the Annual Report.

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the AGM and the Annual Report of the Company for the financial year 2023-24 is being sent today i.e. Monday, July 15, 2024, through electronic mode, to all the Members of the Company whose e-mail addresses are registered with the Depositories/ the Company/ the Registrar and Share Transfer Agent of the Company.

Please note that the AGM of the Company will be held on Friday, August 9, 2024, at 12:00 noon (IST) through Video Conferencing/ Other Audio-Visual Means in accordance with the aforesaid circulars. The Notice of AGM along with the Annual Report for the financial year 2023-24 is also being made available on the website of the Company at: https://www.gmmpfaudler.com/investors/financial-results-reports/annual-reports

Also, the agenda items proposed to be taken up at the AGM are as follows:

Resolution No.	Particulars	Manner of Approval
1	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2024 (including Consolidated Financial Statements) together with the reports of the Board of Directors and auditors thereon.	Ordinary Resolution
2	To confirm the declaration and payment of an interim dividend paid during the financial year ended March 31, 2024 and to declare final dividend for the financial year ended March 31, 2024.	Ordinary Resolution
3	To appoint a Director in place of Mr. Ashok Patel (DIN: 00165858), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary Resolution

Resolution No.	Particulars	Manner of Approval
4	To ratify the payment of remuneration to the Cost Auditors of the Company for the financial year ending March 31, 2024.	Ordinary Resolution
5	To approve the borrowings by the Company in excess of the limits prescribed under Section 180(1)(c) of the Companies Act, 2013.	Special Resolution
6	To approve the creation of security in respect of an undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013.	Special Resolution
7	To appoint Ms. Shilpa Divekar Nirula (DIN: 06619353) as an Independent Director of the Company.	Special Resolution

Record Date and Book Closure:
The Company has fixed Friday, August 2, 2024 as the record date for the purpose of AGM and determining the Members eligible for dividend on equity shares, if approved at the AGM. Accordingly, the Register of Members and Share Transfer books will remain closed from August 3, 2024 to August 9, 2024 (both days inclusive).

Details of E-voting:
The Company has provided e-voting facility to enable the Members to cast their votes electronically. The Notice of AGM inter alia indicates the process and manner of remote e-voting/ e-voting at the AGM along with instructions for participating the AGM through VC/OAVM.

This is for your information and record.

Thanking you.

Yours faithfully,

For **GMM Pfaudler Ltd.**

MITTAL KARTIK MEHTA

Digitally signed by MITTAL KARTIK MEHTA
Date: 2024.07.15 11:45:55 +05'30'

Mittal Mehta
Company Secretary & Compliance Officer
FCS No.: 7848
Encl.: As above

Transforming Through Action

GMM Pfaudler

Contents

Investor Information

CIN:	L29199GJ1962PLC001171
BSE code:	505255
NSE code:	GMMPFAUDLR
Bloomberg code:	GMM IN Equity
Dividend for FY24:	₹2 per equity share (Subject to approval of the members at the AGM)
AGM date:	August 9, 2024
Venue:	Through Video Conference

Our Vision

To become the preferred partner for critical process technologies, systems, and services for the pharmaceutical and chemical industries by delivering high quality and sustainable solutions.

Our Mission

We use our corrosion-resistant expertise as a cornerstone to develop a broader portfolio offering, while respecting the environment, uniting our people, and creating value for all our stakeholders.

GMM Pfaudler

Our Values

Innovative
We provide unique and innovative technologies, systems, and services that deliver high-value solutions to our customers.

Inclusive
Our people are the force driving our ability to do and achieve more. We value diversity and provide a real opportunity to cultivate meaningful relationships.

Reliable
We are committed to consistently delivering on our promise of expertise in the technologies, systems, and services we offer.

Dynamic
We are always on the move, anticipating technology and customers' needs as they change.

Respectful
We use our expertise to strengthen our product portfolio while respecting our people, our communities, and the environment, creating value for all our stakeholders.

Creating behaviours and mindsets that are dynamic, being innovative with our offerings, putting inclusivity at the heart of our people practices, and being a trusted and respected partner are values that drive us at GMM Pfaudler. Our values are an attitude that defines our culture and will help us make big moves.

Glass-Lined

Leadership

- Operational Excellence
- Value Sourcing

Technology leader with strong brand

Modernized manufacturing footprint

Broad and extensive sales and services network

Steady and long-lasting marquee customer relationships

Preferred choice in high-value orders and large reactors

Non Glass-Lined

Complementary

- Adjacent Industries
- Cross Selling

Adjacent Industries

Interseal
Using of Interseal as the default seal for GL & alloy reactors, filters, dryers

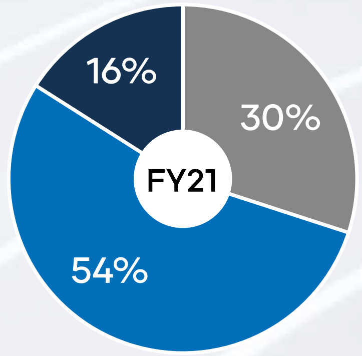
Equilloy
Offering alloy equipment to existing GL and other customers in US & Europe

Mavag
Expanding footprint in USA

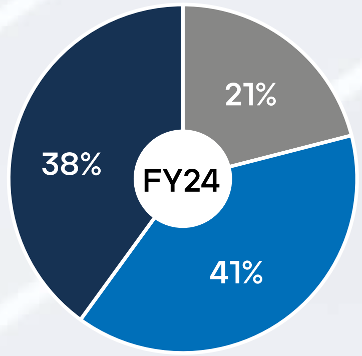
Mixion
Diversifying into new industry segments

Cross Selling

Industry Mix
(% Order Intake)



Pharmaceuticals Chemicals
Adjacent Industries



Pharmaceuticals Chemicals
Adjacent Industries

Systems

Process Know-How

- Turnkey Solutions
- New Applications

Turnkey Solutions

Acid Recovery Systems
(Pfaudler Normag Systems)

Liquid-Liquid Separation Systems
(WFE)

Membrane Separation Systems
(HARI)

Current Applications

- Oleo chemicals
- Used oil recycling
- Resins & Polymers

New Applications

- Green chemistry
- Renewable fuels
- Gas to liquids
- Recycling of lithium and rare earths

Services

Installed Base

- Local Presence
- Improved Customer Experience

Local Presence

Spare Parts Stocking

Improving Man Days

Reglassing Focus

4 **New service centres added**
Brazil, America, Italy, Switzerland
(FY21-24)

Improved Customer Experience

Service App

Customer Trainings

24/7 Customer Support

24 **New sales & service engineers**
America, Europe, India
(FY21-24)

Mergers & Acquisitions

6 **Bolt On** Acquisitions Since 2016

2020
De Dietrich Process Systems India
Glass-Lined Equipment

2021
HDO Technologies
Alloy Process Equipment

2022
JDS Manufacturing
Glass-Lined Equipment

2022
Hydro Air Research Italia
Membrane Technologies

2023
MixPro
Mixing Technology

2023
Mixel
Mixing Technology

Complementary Brands

Cross Selling Opportunity

High Growth Potential

New Industry Segments

GMM Pfaudler

Global Footprint

Manufacturing Facilities

2000+ Employees

35+ Nationalities

08 Complementary Brands

20 Facilities

End-to-end solutions provider for the global process industry

Key Performance Indicators

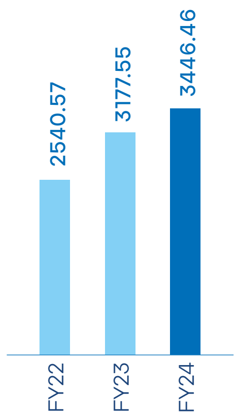
While the global economy still remains challenging with price increases of raw materials and energy costs as well as the impact of political and trade conflicts on economic growth and international trade, we achieved a remarkable boost in profitability with increased revenue in our International business.

We benefited further from operational improvements, positive commercial developments as well as our acquisition strategy. Our efforts to strengthen the balance sheet and enhance cash flow through cost-saving initiatives and working capital management have positioned us well for potential uncertainties relating to the global economic situation as well as continued growth.

Alexander Pömpner
CFO - International Business

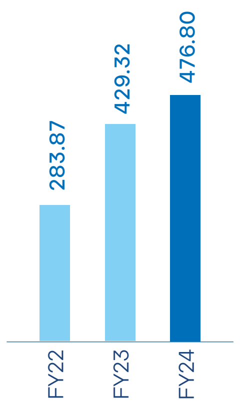
Consolidated
Financial Performance

Revenue
(₹crore)



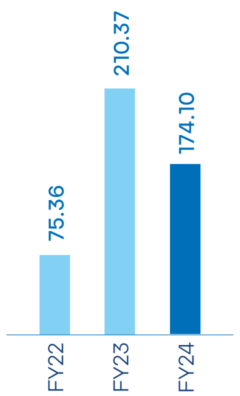
↑8% (y-o-y)

EBITDA*
(₹crore)



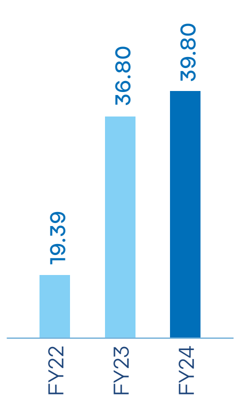
↑11% (y-o-y)

Profit After Tax
(₹crore)



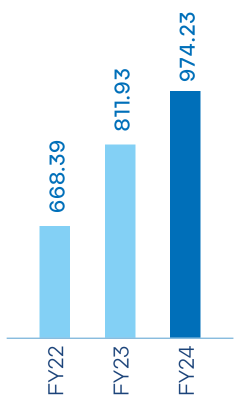
↓17% (y-o-y)

Earnings per share**
(₹)



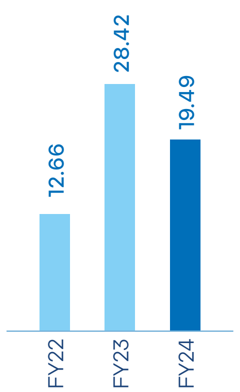
↑8% (y-o-y)

Net worth
(₹crore)



↑20% (y-o-y)

Return on Equity
(%)



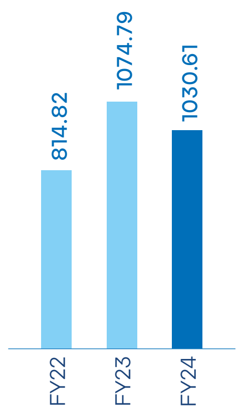
↓893bps (y-o-y)

FY23 numbers have been restated for final fair values of purchase price allocation for Mixel France SAS and Hydro Air Research Italia S.r.l. For further details kindly refer 'Note 45: Business Combination'

*EBITDA excludes other income
**Adjusted for the bonus issue of 2:1 completed in July 2022

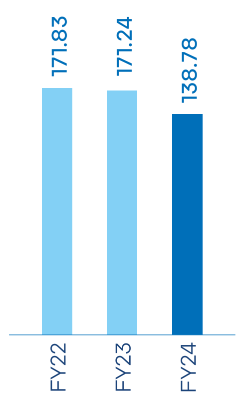
Standalone
Financial Performance

Revenue
(₹crore)



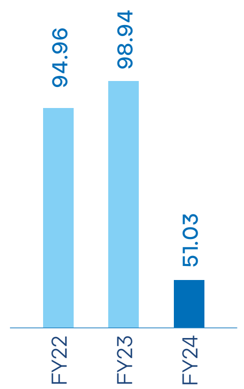
↓4% (y-o-y)

EBITDA*
(₹crore)



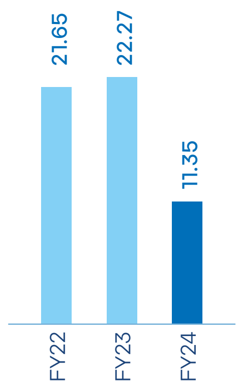
↓19% (y-o-y)

Profit After Tax
(₹crore)



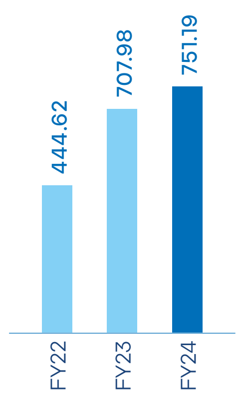
↓48% (y-o-y)

Earnings per share**
(₹)



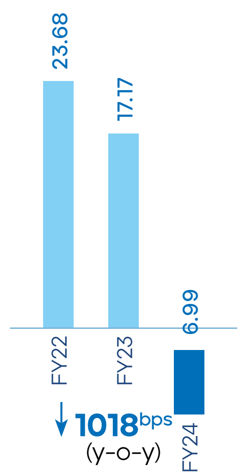
↓49% (y-o-y)

Net worth
(₹crore)



↑6% (y-o-y)

Return on Equity
(%)



↓1018bps (y-o-y)

*EBITDA excludes other income
**Adjusted for the bonus issue of 2:1 completed in July 2022

In these evolving times on the global landscape, our consistent focus on strengthening the balance sheet has yielded positive results. Focus on efficient working capital has led to reduced debt levels and healthier cashflows. This has also enabled us to make the right investments in business and be future-ready for the next level of growth. Further, we shall continue our journey of operational excellence and cost-saving initiatives to achieve further efficiencies.

Manish Poddar
CFO - India Business

Management Comments

Dear Shareholders

Over the last few years, GMM Pfaudler has transformed into a global multinational company with 20 facilities spread over 4 continents and employing more than 2000 people.

Our successful integration of Pfaudler International shall be a case study of successful mergers for years to come.

Tarak Patel
Managing Director

As we celebrate our achievements, we must also recognize the need for continuous evolution to adapt to today's dynamic business environment. To maintain our competitive advantage, we must stay ahead of the curve regarding product quality, innovation, and customer satisfaction. Our continuous focus on deeper integration across geographies will help create an organization with a global mindset.

The previous year was a testament to our resilience and adaptability. Despite the challenging macroeconomic environment, we achieved a consolidated revenue of ₹3,446 crores with an EBITDA margin of 13.8%. Our ROCE and EPS were 21% and ₹39.80 respectively. Despite the Ukraine-Russia conflict, the subsequent rise in power costs, and a global slowdown in the chemical industry, we could still maintain revenue and margins and deliver a strong financial performance. I am pleased to announce that GMM Pfaudler remains the market leader in corrosion-resistant technologies, systems, and services, setting the benchmark for quality, innovation, and customer satisfaction.

On the business front, order intake was subdued due to a slowdown in our core chemical and pharma industry segments. In India, we have seen a steep decline in capex in the agrochemical sector, adversely impacting our glass-lined business. However, our diversification strategy, which we began a few years ago, is now helping us make up for this shortfall in orders. We have added new products and technologies that have opened many industries for us. Last year, we received orders from industries such as Petrochemical, Oil & Gas, Fermentation, Metals & Minerals, and Water treatment, to name a few.

On the manufacturing front, we continued our operational excellence and value-sourcing initiatives. Our manufacturing efficiencies and on-time delivery performance across sites continue to improve. We recently created a low-cost supply chain in Poland, where we can outsource non-critical manufacturing activities. Further, our Glass-lined stock & sale program has helped us enter price-sensitive markets. This year, we also expanded our service network by inaugurating two new service centers: one in Taubaté, Brazil, and the other in Torre di Mosto, Italy. These service centers will help us meet the growing needs of our customer base and align with our strategy of growing our services business.

This year, we also expanded our service network by inaugurating two new service centers: one in Taubaté, Brazil, and the other in Torre di Mosto, Italy.

Our dedication to financial excellence is matched by our unwavering commitment to Corporate Social Responsibility (CSR) initiatives.

In December 2023, we successfully completed the acquisition of MixPro, Canada, further strengthening our industrial mixing business

Our work in environmental sustainability, community development, and employee welfare is not just a part of our business strategy, it's a reflection of our core values. I want to express my gratitude to our CSR partners - ReefWatch Marine Conservation, Shri Krishna Hospital (Charutar Arogya Mandal), JV Patel ITI, and the Sardar Patel Trust - for their invaluable contribution to improving and enriching the lives of the people in the communities in which we operate. Their efforts are not just vital to fostering sustainable growth and development in our society, but they also inspire us to do more.

GMM Pfaudler made a resounding impact at ACHEMA 2024, the world's largest trade fair for the process industry! Held every three years, this year's fair featured over 2,800 exhibitors from 56 nations and attracted more than 100,000 participants. This exceptional event was not just a platform for us to showcase our latest innovations, capabilities, and cutting-edge solutions, but also a testament to our global reach and influence. We closed the event on a high note, leaving a lasting impression on the global audience and reinforcing our position as an industry leader.

I am immensely proud of the strength and perseverance that we showed throughout the year. I have always maintained that our people are our most valuable asset, and their unwavering dedication, innovative spirit, and relentless pursuit of excellence have been instrumental in overcoming challenges and driving our success. Together, we not only met our financial targets but also reinforced our position as an industry leader.

Before I conclude, I would like to express my appreciation to the Board of Directors for ensuring effective corporate governance and thank them for their continued support and guidance. I would also like to acknowledge all our employees, customers, supplier partners, and shareholders for their support and faith in GMM Pfaudler.

Thomas Kehl
CEO - International Business

In FY24, GMM Pfaudler achieved notable profitability improvements in our International business, driven by strong execution, pricing enhancements, and reduced costs in raw materials and energy. A significant milestone this year was the completion of the acquisition of MixPro in Canada, which will further strengthen our industrial mixing business. Additionally, we inaugurated a new Edlon site in Coatesville, Pennsylvania, dedicated to advancing the development and production of ultra-high purity equipment. These strategic initiatives underscore our commitment to innovation and sustainable growth, positioning us at the forefront of industry advancements.

Aseem Joshi
CEO - India Business

Despite the challenges posed by a slowdown in the Specialty & Agrochem sector, GMM Pfaudler India demonstrated resilience in FY24. This was largely driven by our strong performance in non-glass lined technologies, where we successfully tapped into a broader range of industries and applications. Our ability to diversify and expand our offerings has been crucial in sustaining our growth trajectory. A significant contributor to our success has been our unwavering focus on new product development and innovation. By continuously investing in research and development, we have been able to introduce cutting-edge solutions that meet the evolving needs of our customers. Innovation remains at the core of our strategy, and we are committed to further enhancing our capabilities in this area.

Building a new Mixing Platform

Extensive Industry Coverage

Existing | **New**

Mixing Technologies addresses both **established** and **growing markets**

Strategic Rationale

- **Cutting-edge Process Tech**
- **Simulation & Testing Capabilities**
- **Global Footprint**
- **Worldwide Service Network**
- **Broad Product Portfolio**
- **Low-Cost Manufacturing**

Mixing Technologies platform to be managed as one business to **extract synergies** and **increase cross-selling**

Environmental, Social & Governance

In today's business landscape, environmental and social responsibility are no longer optional – they're the foundation for long-term success.

We as an organization recognize this and actively integrate ESG practices to not only minimize risks from environmental and social challenges, but also to ensure a positive impact on the world.

Our vision is "To emerge as an industry leader promoting responsible manufacturing, employee safety, environmental and social welfare with effective corporate governance practices to nurture long-term business sustainability". For us, ESG consciousness isn't just about compliance – it's about building a sustainable business that benefits everyone.

This report offers a detailed look at our efforts, achievements, and ongoing initiatives. Join us on our sustainability journey! We welcome your feedback as we continue paving the way for a brighter future.

Highlights of the Year*

Environment

24% Reduction in Grid Electricity Consumption

3% reduction in Total Energy Consumption

15% reduction in Emission Intensity

All manufacturing sites are **ISO 14001 & 45001** certified

863 tCO_2e Emission avoided

99% of our Waste Recycled or Reused

15% Reduction in Water Consumption across all plants

Social

Zero Reportable work-related injuries

100% workers trained on health and safety

Over 54,000 lives were positively impacted through CSR projects.

Governance

70% independent directors on the Board

Featured as **India's leading listed ESG Entities 2024** by Dun & Bradstreet

*For India Business

OUR PURPOSE

ESG will be the corner stone of GMM Pfaudler's long term strategy with a commitment to create value for our people, our communities and our planet.

OUR APPROACH

As part of our continued dedication to sustainability, we are steadfast in upholding the principles detailed in our ESG policy. We remain committed to prioritizing responsible environmental, social, and governance practices in our operational and future growth strategies. Our goal is to accelerate the world's transition towards a sustainable future and make a positive impact on our people, communities, and the planet.

In order to demonstrate our dedication, we have put into action a variety of initiatives that support our long-term growth plan, while also prioritizing environmental, social, and governance factors. These initiatives are essential for building lasting value for our stakeholders and making sure that our actions have a positive and enduring impact.

We have successfully developed tangible products and services that actively contribute to environmental protection and demonstrate climate resilience. We prioritize responsible business conduct, ethical practices, and accountability in all aspects of our operations. In addition, we strive to create a supportive workplace environment, prioritize our social responsibilities, constantly work on improving our processes and policies, and make efforts to enhance resource efficiency.

As part of our ongoing commitment to transparency, we have included an ESG report in our annual since FY21, and we are committed to maintaining this practice. Our ESG report for this year, prepared in accordance with the GRI Standards, allows us to share important ESG information and update all stakeholders on our progress.

We are committed to setting a positive example and working towards a sustainable future for everyone.

Creating a sustainable future for our Company and our Stakeholders

Sustainable And Environmentally Friendly Working Practices

Enhancing our range of products while prioritizing stakeholder interests and minimizing our ecological footprint.

Reliable & Dynamic

We consistently deliver on our commitment of expertise in technologies, systems, and services by proactively anticipating the evolving requirements of our customers.

Innovative technologies

We offer cutting-edge technologies, systems, and services that provide our customers with valuable solutions.

Inclusive Culture

Our team members are the driving force behind our ability to accomplish more. We prioritize diversity and offer opportunities to foster meaningful relationships.

Longer Lifespan

Our equipment is designed to last for over 10-15 years and through our refurbish services, we give products a second life minimizing the need for replacements and waste generation.

ESG POLICY

Our ESG policy is a cornerstone of our commitment. It addresses the environmental and social impact of our operations. It identifies mitigation measures and prioritizes responsible practices throughout our business and supply chain, laying the groundwork for a sustainable future.

We are committed to making a positive impact on the United Nations Sustainable Development Goals (UNSDGs), and have aligned our initiatives with 13 of these goals.

GMM Pfaudler supports the U.N. Sustainable Development Goals

Stakeholder Approach

Active stakeholder engagement is essential to our sustainability journey as we attempt to achieve the Triple Bottom Line: People, Planet, and Profit. Through collaboration, we gain valuable insights, identifying key opportunities that benefit our people (fair labor practices, diversity initiatives, community development), protect the planet (minimizing environmental impact, promoting resource efficiency), and ensure long-term financial health for profit.

This collaborative approach fosters open communication, addressing concerns and building trust. Together, we create a shared commitment to sustainability, ensuring our actions create lasting value for all.

Our stakeholders are categorized as either 'Internal' or 'External' depending on our interactions with them. This distinction enables us to customize our engagement strategies and guarantee effective communication and collaboration with each group.

Internal Stakeholder

- Employees
- Board
- Senior Management

External Stakeholder

- Customers
- Investor Relations and Media
- Shareholders/ Investors
- CSR Partners
- Suppliers/ Vendors
- Industry bodies & Regulators

In order to keep our stakeholders well-informed, we regularly share updates on important matters through the relevant communication channels listed below.

Stakeholders	What can we offer them?	Why are they important to us?	How do we engage with them?	Frequency of engagement	Key ESG concerns
Employees	• Emphasizing growth and improvement through learning and development opportunities • Ensuring fair and competitive compensation based on industry standards • Providing objective and timely feedback for performance reviews • Supporting and encouraging career advancement • Fostering a welcoming and inclusive work environment • Cultivating a culture that promotes innovation	• Having a skilled workforce is essential for achieving business goals and ensuring long-term sustainability. • Engaged representatives enhance efficiency and strengthen competitive advantage	• Internal communication is facilitated through various channels, such as leadership messages, town halls, shop floor meetings, and newsletters. • Internal network • Channels for addressing complaints	• **Continuous:** Website, Employee portal, HR helpdesk, Rewards & Recognition programs & satisfactions survey, Webinars, and awareness sessions • **Quarterly:** GMM Pfaudler's Newsletter • **Annual:** Townhalls	• Health & Safety • Training & Development • Corporate Governance • Responsible Supply Chain • Climate Change, Emissions, and Waste
Customers	• High-quality products • Offering seamless and hassle-free pre-sales and after-sales service • Opportunity to provide feedback about products and services • Excellent value for money	• Our recurring revenues are driven by satisfied customers • Word of mouth and recommendations from satisfied customers can help attract new customers. Positive word-of-mouth and recommen-dations have the potential to attract new customers	• Personalized interactions and meetings • Surveys to gauge customer satisfaction • Websites dedicated to the company • Helpline numbers and a system to record grievances	• **Continuous:** GMM Pfaudler's website social media sponsored events, mailers, newsletters, brochures • **Half-yearly:** Relationship meetings, customer satisfaction surveys & customer visits • **Annual:** Events and Exhibitions	• Product Quality • Customer satisfaction • Material sourcing
Shareholders / Investors	• Updates on the latest company developments • Information about long-term plans • Clarifications regarding any potentially concerning events	• Shareholders provide the company with its capital • As part owners, it is only fair that they have a voice in the tactical and strategic plans of the Company	• General meetings • LinkedIn • Investor day	• **Continuous:** Investors page on the GMM Pfaudler's website, social media • **Quarterly:** Financial statements earnings call, press conferences, investor calls • **Annual:** Annual General Meeting, Annual Report	• Corporate governance, Ethics & Integrity Climate change, Emissions, Water usage and waste disposal • CSR

Stakeholders	What can we offer them?	Why are they important to us?	How do we engage with them?	Frequency of engagement	Key ESG concerns
Suppliers / Vendors	• Revenue generation • Driving business growth • Fostering innovation • Cultivating brand loyalty • Essential for meeting the demand for a sustainable supply of equipment and materials	• An effective tool for improving operational and cost efficiencies • Ensuring high-quality deliverables • Completing both new and ongoing projects promptly and within budget • Embracing and advancing technology throughout the value chain • Incorporating ESG parameters into operations • Minimizing carbon emissions	• One-to-one discussions • Online surveys • Supplier meets • Review and Audits • Contractual Agreements • Capacity building and training	• **Continuous:** Meetings/calls, • **Half-yearly:** Assessments, Site visits and inspections	• Product Stewardship • Responsible Sourcing
Investor Relations and Media	• Latest updates on company developments • Providing clear and open information about events that may raise concerns	• Improving financial and brand reputation • Increasing visibility among potential customers and investors • Making a lasting impact	• One-to-one discussions • Online surveys • Quarterly Investor Meets • Media announcements • Interviews • Annual Events	• Need-based	• Ensuring high-quality products and happy customers • Prioritizing the well-being and safety of our employees • Implementing strong corporate governance practices
CSR Partners	• We prioritize partnerships that contribute to the sustainable development of the communities surrounding our operations, creating a positive ripple effect for the ecosystem	• Enhancing societal support for operations • Building a strong sense of community is essential for conducting business smoothly and without any interruptions • Develop an ecosystem that is more environmentally friendly and sustainable	• CSR programs • Face-to-face meetings • Online surveys • Community meets • Review & Impact studies	• **Continuous:** Project Progress • **Annual:** Review Need-based	• Community Development • Training & Education
Industry bodies, Regulators	• Sustainability • Make in India	• Ensuring compliance, interpreting regulations and maintaining uninterrupted operations while obtaining/ granting permissions are key factors	• Discussions on applicable regulations • Making necessary changes and conducting routine inspections	• Need-based	• Timely approvals • Adaptation to changing regulations • Corporate Governance

MATERIALITY ASSESSMENT:

At the start of our ESG Transformation journey in FY22, we conducted a comprehensive materiality assessment to understand which environmental, social, and governance (ESG) issues are most critical for our continued success and most impactful on our stakeholders. Through a structured engagement process, we gathered valuable insights from both internal and external stakeholders. This included one-on-one discussions and online surveys, allowing us to assess the potential risks and their impact on our ability to create value. In addition to stakeholder engagement, we conducted a desk review, evaluating relevant industry and sustainability topics to ensure our assessment covered a broad range of material issues.

This combined approach provided a clear picture of the ESG factors that matter most, allowing us to focus our efforts on those areas with the greatest potential impact.

Our Materiality Assessment aimed to:

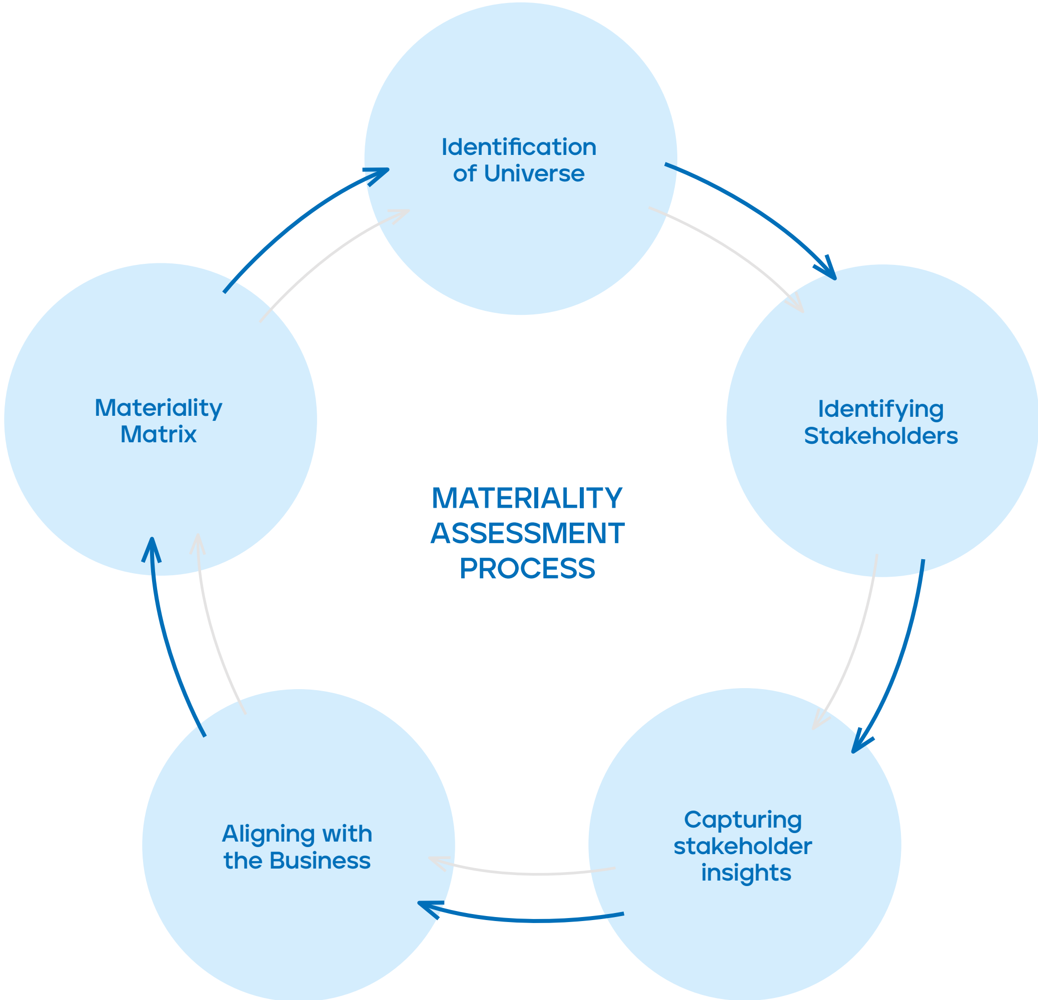
- **Align** sustainability and business strategies
- **Recognize** issues driving long term business value
- **Identify & Manage** risks and opportunities
- **Anticipate & Manage** external pressures
- **Build & Maintain** a strong brand
- **Assess** performance over time

Process

The materiality process involves a collaborative mapping exercise that engages all stakeholders in the identification of key issues. This process follows a structured approach, starting with stakeholder engagement, materiality analysis, and aligning the insights with the sustainability roadmap.

- Stakeholder engagement includes interactions with various parties such as senior management, employees, suppliers, dealers, customers, community, academics, government, regulatory authorities, industry associations, and investors.
- The identified material issues are periodically evaluated every three years, taking into account the triple bottom line.
- To prioritise the identified issues, capability building workshops and feedback sessions are conducted. Additionally, benchmarking with peers is undertaken to gain insights into industry best practices.
- Top management engagement and stakeholder consultations lead to the development of a final material assessment matrix and a strategic roadmap.

The materiality assessment conducted in FY22 consisted of five essential phases, beginning with the core business priority and concluding with the completed Materiality Matrix. Here is the process:



GMM Pfaudler Materiality Matrix

We illustrate the relative importance of issues using the materiality matrix. Based on our analysis, we have identified the material issues that will help us determine our ESG priorities. These issues are categorized in the High and High to Medium priority quadrants in the matrix provided below:

Importance to Stakeholders	MEDIUM (Importance to GMM Pfaudler)	HIGH (Importance to GMM Pfaudler)
HIGH	**Medium to High Priority** • Occupational Health And Safety • Climate Change • Community Development • Energy and Emissions Management • Water and Waste Water Management • Waste Management • Ethics and Compliance	**High Priority** • Corporate Governance • Product Quality and Customer Satisfaction • Product Stewardship • Responsible Supply Chain
MEDIUM	**Medium Priority** • Talent Attraction and Retention • Diversity and Equal Opportunity • Labour Relations • Customer Privacy • Training and Education	**High to Medium Priority** • Risk Management • R&D and Innovation

Every year, we conduct an internal review of our material issues within the business environment. After careful review, we have determined that the 12 material issues listed below are relevant and applicable for the current reporting period.

GMM Pfaudler Material issues

High Priority

- Corporate Governance
- Product Quality & Customer Satisfaction
- Product Stewardship
- Responsible Supply Chain

High to Medium Priority

- Risk Management
- R&D & Innovation

Medium to High Priority

- Occupational Health & Safety
- Climate Change
- Community Development
- Energy & Emissions Management
- Water & Waste Water Management
- Waste Management
- Ethics & Compliance

The synergistic and interdependent relationships between our material topics and business imperatives help us accelerate our sustainability journey in line with our stated strategic goals

ESG Strategy

In FY22, we took a significant step forward by developing a robust ESG-led growth roadmap for 2022-2025. This roadmap integrates the key sustainability issues identified through our comprehensive materiality assessment. The roadmap is designed to be both agile and scalable, providing a powerful framework to translate our ESG goals into concrete action plans. This ensures we not only meet our financial commitments but also establish a scalable and responsive business model. The roadmap empowers us to cultivate a future-ready talent pool while prioritizing the well-being of our people and the preservation of our planet.

The strategy is centered around four key pillars: Environment Protection and Climate Resilience, Responsible Business Conduct, Workplace Symphony, and Social Stewardship. Additionally, it encompasses nine specific focus areas.

ESG Strategic Pillar 1: Environmental Protection and Climate Resilience

This strategic pillar is designed to reduce the environmental impact and carbon emissions caused by our operations. Our objective is to promote the sustainability of our resources, reduce water usage and waste production, and ensure the success of our organization in the face of climate challenges. The main areas of focus for this pillar during the reporting period are outlined below, along with the corresponding actions taken:

Focus Area	KPI	3 Year Target (FY25)
Low Carbon and Climate resilient operations	Low Carbon and Climate resilient operations	To reduce energy intensity
	Decarbonization (SBTi)	To increase the share of renewable energy
	Climate Risk Analysis	Conduct Climate risk and opportunity analysis
Water and waste management	Zero Waste to Landfill	All the manufacturing sites to achieve the Company's standard for zero disposal
	Water Recycling	To decrease total water consumption by a substantial percentage

This year marked significant progress in environmental responsibility. We reduced emission intensity by 15% and total energy consumption by 3%, with a particularly impressive 24% decrease in grid electricity use. Exploring the feasibility renewable energy alternatives will further strengthens our commitment to renewables. Water conservation efforts yielded a 15% decrease in consumption and an 11% reduction in water intensity. We maintained a best-in-class 97% waste recycling rate, with the remaining 2% being reused.

ESG Strategic Pillar 2: Responsible Business Conduct

Our business goals align perfectly with our vision of becoming the preferred provider of high-quality engineered products and services to our valued customers. We will achieve this by conducting business in an ethical and transparent manner, which will build trust with stakeholders, increase the appeal of our brand, and cultivate stronger customer loyalty. The main area of focus for this pillar during the reporting period is as follows:

Focus Area	KPI	3 Year Target (FY25)
Responsible Supply Chain Management	Sustainable Procurement	Using responsibly sourced raw materials and minimizing waste throughout the supply chain
	Responsible Sourcing	Increase the use of recycled packaging material
Ethics and Compliance	No of breaches / non-compliances	• Identify and disclose the number of breaches or non-compliances with the Code of Conduct • 100% Training Compliance on Ethics (Code of Conduct)
ESG Communication	Internal Communication	• Half-yearly ESG newsletters • Conduct Quiz/competitions on ESG issues. • Celebrate ESG/Safety Week
	External Communication	• Develop and Disclose a Sustainability report or Integrated Report • Develop a micro site on the website and disclose the sustainability updates /progress every quarter

This year, we achieved a bronze Sustainability rating from Ecovadis, reflecting our focus on environmental and social practices. We're significantly reducing our plastic footprint by increasing the use of recycled plastic in packaging, reusing plastic for packaging needs, and implementing gunny bags with suppliers. We've also found innovative ways to reuse wooden materials for packaging and transportation. To ensure ethical conduct throughout our supply chain, we've added a recyclable packaging clause to purchase orders and reduced the use of thermocol. Additionally, we've prioritized employee well-being and ethical awareness by conducting training sessions on code of conduct & ethics, whistleblowing, anti-corruption, data privacy, and POSH (Prevention of Sexual Harassment). We effectively addressed all reported concerns in FY24, including whistleblowing reports, conflicts of interest, POSH complaints, and data breaches. We've kept stakeholders informed by uploading an ESG & CSR newsletter to our website.

ESG Strategic Pillar 3: Workplace Symphony

Our ongoing business achievements and the trust we have earned from stakeholders are a direct result of the skills, expertise, and dedication of our employees. Creating a secure and welcoming work environment that appreciates a range of viewpoints, promotes fairness regardless of gender or age, and encourages professional development is essential to our growth strategy rooted in ESG principles. The main area of focus for this pillar during the reporting period are the associated actions:

Focus Area	KPI	3 Year Target (FY25)
Human Capital Development	Diversity and Inclusion	Increase the existing women workforce by substantial percentage
	ESG Training	All the employees to comply with the minimum ESG training as per Company's Learning & Development guidelines
	Employee Engagement Survey	Conduct employee engagement survey annual basis
Health and Safety	ISO 45001 Alignment and Certification	All manufacturing sites to be ISO 45001 certified
	Zero Accident and Zero Injury	Zero Accident and Zero Injury (Reportable)

We actively promoted gender diversity through targeted recruitment drives. Employees received an average of 5.5 hours of ESG-specific training, and concerns identified through our annual Parivartan survey were addressed through action plan workshops. We maintained a perfect safety record with zero high-consequence incidents or reportable accidents. All workers received health and safety training, with ongoing behavior-based and safety induction programs for new hires and contractors. We further enhanced safety by investing in improved equipment and facilities, standardized PPE, and advanced electrical safety features. This commitment culminated in the successful completion of ISO 45001 surveillance audits at our factories.

ESG Strategic Pillar 4: Social Stewardship

At GMM Pfaudler, we understand the importance of continuous progress for the long-term success of our company. We are committed to improving the well-being and prosperity of the communities in which we work, while promoting overall social progress. We prioritize the promotion of human rights in all aspects of our operations and value chain. Our commitment is to act with fairness, transparency, and without any form of discrimination or prejudice, in accordance with applicable regulations. As part of our commitment to ESG objectives, we strongly encourage our employees to make a positive impact on society by participating in community engagement initiatives.

Focus Area	KPI	3 Year Target (FY25)
Community Development	Need Assessment	Community need assessment for all new CSR projects
	Social Impact Assessment	Impact assessment for medium/ long-term CSR projects (3 years and above)
Human Rights	Employee Volunteering	Encourage employees to engage and participate in community volunteering services
	Human Rights Due Diligence	Conduct human rights due diligence at all operational facilities

Through about 10 CSR projects focused on healthcare, education & skill development, and environmental sustainability, we positively impacted over 54,000 lives. We identified new opportunities for social good by completing needs assessments for four new projects. Our employees actively participated in social initiatives, contributing over 500 volunteer hours through activities like computer training, community service camps, blood donation drives, and awareness sessions. Furthermore, we conducted a Human Rights Due Diligence assessment to ensure our operations are conducted ethically and responsibly.

Environment

Index

Environmental responsibility is a core value, reflected in our robust ESG strategy. This commitment translates into tangible actions that minimize our environmental impact. We leverage renewable energy sources whenever possible, reducing our reliance on fossil fuels. Additionally, we have implemented efficient manufacturing processes that optimize resource utilization. Furthermore, we have undertaken water conservation projects and robust waste reduction and recycling programs. Our commitment extends beyond implementing these programs. We adhere to globally recognized environmental standards, ensuring our operations meet the highest benchmarks. Regular environmental assessments are also conducted to proactively identify potential risks and opportunities for further improvement.

ENERGY AND EMISSIONS

GMM Pfaudler is dedicated to promoting an energy-efficient culture through various initiatives. These include improving operational efficiencies, implementing energy conservation mechanisms, and giving priority to the integration of renewable sources into its energy mix. The fuel consumed consists of a variety of options, such as liquefied petroleum gas, high-speed diesel, petrol, and piped natural gas. In addition, energy is obtained from grid electricity, and solar power plants.

Energy Consumption (Units-GJ)

Source	FY22	FY23	FY24
Total Grid Energy (as grid electricity)	74,926	2,42,608	**68,807**
Total Renewable Energy (as electricity)	9,476	6,472	**4,337**
Total Electricity (A)	84,402	97,406	**73,144**
Total Fuel Energy (B)	1,58,206	1,45,308	**1,62,199**
Total Energy (A+B)	2,42,608	2,42,713	**2,35,343**

In FY24, our overall energy consumption saw a 3% decrease compared to FY 23. This decrease can be attributed to a 24% decrease in our total grid energy (specifically grid electricity). It should be noted that our fuel consumption rose by 12% compared to FY23. This increase was largely due to shifting the heat treatment process from an external vendor to in-house operations. This change was implemented to enhance product quality, which consequently led to higher diesel and LPG usage.

GHG Emissions (Unit-tCO2e)

Scope	FY22	FY23	FY24
Scope 1 Emissions	8,933	8,518	**9,930**
Scope 2 Emissions	16,442	20,460	**13,685**
Total	25,375	28,978	**23,614**

Our total GHG emissions in FY24 decreased by 19% compared to FY23. Our company experienced a 17% increase in Scope 1 emissions due to starting of inhouse heat treatment of parts due to quality control and an impressive 33% reduction in Scope 2 emissions. This was made possible through a strategic shift in our operations, which involved reducing our electricity consumption by undertaking energy saving projects and also streamlining our processes which led to efficiency improvements.

Reducing Impact

Over the past year, GMM Pfaudler has been dedicated to implementing sustainability measures throughout our operations. We have fully embraced ISO 50001 to prioritize energy management. In addition, we have taken significant steps to offer environmentally conscious products and services. Furthermore, we have implemented process improvements to effectively reduce waste and minimize resource consumption. Through the implementation of energy-efficient alternatives, advanced technology, and equipment retrofitting/upgrades, we have successfully decreased consumption and enhanced overall efficiency. In addition, we have discovered further opportunities for renewable energy alternatives in our factories, demonstrating our dedication to sustainable energy solutions.

Starting FY22, we implemented a holistic strategy to greatly decrease our energy usage and environmental impact. We are committed to maintaining our current strategy throughout the year to ensure that we make consistent progress towards our goals of reducing energy consumption and emissions.

Energy Efficiency	We saved 272,266 kWh and avoided 194.98 tonnes of CO_2 equivalent emissions by implementing a range of solutions. This includes harnessing renewable energy with solar streetlights, upgrading equipment to more efficient models, implementing smart building practices like on/off scheduling, maximizing natural light with skylight improvements, and optimizing processes through air compressor control, furnace modifications, VFD installation, interlocked cooling systems, and power factor improvement. We've even integrated electric vehicles for local travel and material movement.
Process Improvement	We implemented a range of projects focused on optimizing resource utilization, minimizing material consumption, and streamlining processes. These initiatives not only targeted cost reduction but also prioritized emission reduction and avoidance, all while maintaining our commitment to product quality. Through these efforts, we achieved impressive results, including saving 27,10,220 kWh of energy helping avoid 1,940.51 tCO2e, reducing base metal usage by 52,017 Kg, and minimizing waste generation within our processes.
Renewable Energy	Our existing 1MW rooftop solar plant at the Karamsad manufacturing unit generated 12,04,771 kWh of clean energy in FY24, avoiding 863 tonnes of CO_2 equivalent emissions. We're further amplifying our renewable energy efforts by exploring the feasibility of renewable energy alternatives.

Solar panel at GMM's facility

Re-glassing Service

India's steel sector, accounting for 12% of national CO_2 emissions, urgently needs innovative, sustainable solutions like low-carbon technologies and resource reuse.

Our Re-glassing service addresses this challenge head-on by refurbishing old and damaged equipment, extending their lifespan by 10-15 years through a multi-step process of repairing and reapplying glass linings.

In FY24, we re-glassed over 445 tons of steel, avoiding the need for new steel production and preventing an estimated 1,135 tonnes of CO_2 emissions, delivering significant environmental benefits.

Benefits of Re-glassing

Waste Reduction	Conserve Natural Resources	Sustainable Consumption	Extend Product Lifespan


Before Reglassing


After Reglassing

GMM's Mixion Division

GMM's Mixion division is a pioneer in industrial mixing technology, offering a unique blend of experience and innovation. With over 35 years of expertise and collaborations with renowned institutions like the Institute of Chemical Technology Mumbai, Mixion designs, simulates, engineers, and manufactures advanced agitators, reactors, and other mixing equipment. These solutions go beyond simple process optimization; they are instrumental in driving environmental sustainability across various industries.

Mixion's impact is evident in its contributions to recycling and resource conservation. Our equipment plays a vital role in a revolutionary chemical recycling process that breaks down used PET bottles into sustainable esters. This technology employed by our customer has resulted in the recycling of over 7.4 billion PET bottles, saving 142,650 tonnes of CO_2 and reducing oil consumption by a staggering 888,000 barrels.

Furthermore, Mixion's mixing technology is facilitating the development of advanced recycling techniques for critical metals in India. From catalysts in oil refineries to waste from electric vehicle batteries, our solutions empower customers to achieve over 90% elemental recovery and treat over 45,000 tons of recyclables annually. This not only minimizes environmental impact but also strengthens sustainable supply chains for strategic metals.

Mixion's commitment extends beyond resource recovery. Our custom-based mixing technology is at the forefront of carbon sequestration processes, converting methane – a potent greenhouse gas – into valuable products. By enabling the capture of methane and its conversion into sustainable ingredients, Mixion contributes to a balanced ecosystem and reduced greenhouse gas emissions.

Additionally, GMM's agitators play a critical role in Flue Gas Vaporization systems used by power plants. These systems rely on efficient mixing within absorber towers to remove harmful SOx and NOx emissions, thereby mitigating environmental and health risks.

Through collaboration with industry leaders and integration of cutting-edge technologies,

Mixion aspires to be a significant force in creating a cleaner, more sustainable future.

Process Innovation

GMM Pfaudler is committed to continuous improvement, and FY24 saw significant progress in this area through two key process optimization projects. These initiatives not only enhanced efficiency but also minimized environmental impact, demonstrating our dedication to sustainable manufacturing practices.

- Optimization of Storage Tank Design: GMM undertook a comprehensive review and optimization of storage tank design calculations. This meticulous process ensured precise thickness measurements, leading to a substantial reduction in base metal consumption. In FY24 alone, this initiative saved 52,017 kgs of raw material for storage tank construction. This not only improved material efficiency but also enhanced cost-effectiveness, all while maintaining the structural integrity and safety of the tanks.
- Thin Wire SAW Process: GMM adopted the Thin Wire Submerged Arc Welding (SAW) process to elevate productivity, quality, and sustainability in its welding operations. This cutting-edge technology offers several advantages over conventional methods:

Increased Productivity	Enhanced Quality	Reduced Waste
4-5 times higher productivity	Upholding high manufacturing standards	40% less waste

The process' versatility allows for application across various projects, offering significant cost savings and operational flexibility.

WATER MANAGEMENT

At GMM Pfaudler, we recognize the importance of water in our business operations and are dedicated to using it responsibly. Water is crucial for our manufacturing facilities and offices, as well as many other aspects of our organization.

In order to meet our operational requirements, we utilize on-ground water sources as well as 3rd party sources. Nevertheless, we understand that our operations produce wastewater as a result of the manufacturing processes. Thus, we acknowledge the significance of water conservation and have firmly committed to utilizing water efficiently in all our operations.

In order to ensure responsible water management, we have implemented protocols that align with the standards set by the Pollution Control Board of India. These protocols guarantee the conscientious handling and recycling of wastewater, minimizing any potential harm to the environment.

Total Water Withdrawal & Consumption (Units-KL)

Type of source (e.g. groundwater, surface water, tankers etc.)	FY22	FY23	FY24
Groundwater	14,735	25,685	**20,595**
Third-party water	15,811	18,985	**13,563**
Total water withdrawal	30,546	44,670	**34,158**
Total Water Discharge	3,980	5,190	**420**
Total Water Consumption	26,566	39,480	**33,738**

In FY24, our Total Water Consumption reduced by 15% to 33,738 KL compared to FY23, which led to decrease in our water intensity by 11%.

Reducing Impact

We are committed to closely monitoring and minimizing water usage across all our operations. Our focus is on adopting sustainable water management practices and making investments in water infrastructure. We are dedicated to decreasing water usage in accordance with ISO 14001 certification standards.

We have implemented significant water-saving measures across our facilities, reducing annual water consumption from 16 ML to 11 ML and treating wastewater for irrigation with a new Sewage Treatment Plant (STP).

Additional water saving measures include use of recycled water for equipment testing, monitoring water usage with flowmeters, and utilizing RO system wastewater for gardening. Furthermore, a rainwater harvesting system with a 170 KL capacity captures rainwater for additional water conservation.

By continuously seeking innovative solutions, we are minimizing our water footprint and promoting a more sustainable future.

WASTE MANAGEMENT

Our organization generates both non-hazardous and hazardous wastes as a result of our operations and manufacturing processes. Non-hazardous wastes consist of paper, food, metal scrap, rubber scrap, wooden scrap, and other scrap materials. In addition, we generate hazardous wastes like aluminium oxide, used oil, and paint sludge.

In order to tackle this challenge, we are proactively making adjustments to our processes and implementing measures to minimize waste generation. We are fully dedicated to achieving our company-wide goal of zero disposal by the year 2025 at all our manufacturing sites across India. In order to achieve this, we have put in place a range of operational control procedures, developed the required infrastructure, and formed partnerships with authorized disposal agencies.

Total Waste Generated (Units-MT)

Parameter	FY22	FY23	FY24
Plastic waste	-	1	**-**
E-waste	-	3	**-**
Bio-medical waste	0	0	**-**
Construction and demolition waste	94	310	**33**
Battery waste	1	0	**1**
Radioactive waste	-	-	**0**
Hazardous waste	0	22	**9**
Non-hazardous waste	2,305	4,450	**2,812**
Total	2,401	4,787	**2,855**

In FY24, our Total Waste Generation is reduced by 40% to 2,855 MT compared to FY23, which led to a 38% decrease in waste intensity.

Waste Diverted (Units-MT)

Category of waste	FY22	FY23	FY24
Recycled	2,306	4,455	**2,776**
Re-used	94	310	**71**
Incinerated	0	0	**-**
Landfill	-	20	**8**
Total	2,400	4,785	**2,855**

Reducing Impact

We are pleased to announce that in FY24, we achieved a 99% waste recycling or reuse rate, with 97% recycled and 2% effectively reused.

Our Waste Management Initiative employs various strategies to reduce, reuse, and recycle waste, ensuring efficient and effective practices across our operations while complying with relevant regulatory frameworks.

To reduce paper consumption, we revised our drawing process, saving an estimated 38,100 sheets annually. We also optimized scrap metal utilization for in-house production, minimizing waste. Additionally, we adopted closed-loop practices for packaging materials, reusing and repurposing them to minimize the need for new resources and eliminate environmentally harmful materials.

Shot Blasting Waste Reduction Project

GMM Pfaudler is relentlessly committed to minimizing waste generation across its operations. our Hyderabad plant's recent transformation in the shot blasting process exemplifies this commitment. Previously, the process generated hazardous waste through the use of aluminum oxide grain, requiring landfill disposal. In a significant shift, we've implemented a more sustainable solution: reusable steel cut wire shots.

These reusable shots offer a multitude of benefits. The use of aluminum oxide has been slashed by 77%, significantly reducing hazardous waste generation. Steel shots are incredibly efficient, requiring only 10,250 kgs to replace a staggering 56,000 kgs of aluminum oxide, translating to an 82% reduction in material usage. This shift aligns perfectly with our sustainability goals by promoting recyclable waste and minimizing environmental impact. Additionally, the reusability of steel shots translates to cost savings in procurement and waste management. By embracing this innovative approach, we are moving closer to achieving our target of zero waste to landfill.

ENVIRONMENTAL SUSTAINABILITY THROUGH CSR PROJECTS

GMM Pfaudler is committed to maintaining environmental responsibility and protecting biodiversity. Our proactive approach in mitigating risks and protecting biodiversity is evident through projects like Urban Afforestation, Marine Megafauna Rescue, and coral reef restoration undertaken by GMM Pfaudler Foundation. With these initiatives, we uphold our commitment and dedication to protect the environment and create a beneficial influence on ecosystems.

Urban Afforestation

The GMM Pfaudler Foundation prioritizes increasing urban greenery and supporting India's goal of achieving 33% forest cover. Our new initiatives, like the Tree Plantation Drive with Green Leaf Baroda, actively engage communities. This specific project, involving 200 students from JV Patel ITI revitalized the local vegetation and fostered a sense of ownership by utilizing local resources.

Plantation Drive at JVP ITI

The ongoing Urban Afforestation program in Secunderabad, Telangana, showcases the long-term success of this approach. Saplings planted just last year have flourished, demonstrating the effectiveness of careful planting and maintenance.

We have planted a diverse range of plant species for optimal growth and long-term sustainability. We meticulously monitor the project's impact, tracking survival rates, plant height, and capturing biodiversity changes. Our commitment extends beyond simply planting trees; we focus on enhancing soil health and promoting biodiversity to create a thriving ecosystem. By fostering community involvement, we contribute to a greener future for India, improving air quality and enriching the local environment with vibrant green spaces that attract diverse wildlife.

Urban Afforestation program in Secunderabad, Telangana

Before After

Restoration of Coral reefs in Andaman Island:

We are trying to make a significant environmental impact through our collaboration with ReefWatch Marine Conservation in the Andaman Islands, a project initiated in 2018. This initiative tackles the complex challenges threatening the region's coral reefs, including rising temperatures, ocean acidification, overfishing, and deteriorating water quality. The project's core mission is to restore and preserve this delicate marine ecosystem.

Employing the innovative Re(ef)Build approach, the project combines physical and biological restoration methods. Fragmented corals are meticulously attached to underwater metal structures linked to mineral accretion devices. This technique, in use since 2017, has fostered the growth of numerous coral fragments, with 97 distinct species and 249 non-cryptic species colonizing the 9 constructed Artificial Reefs. In FY24 50 broken coral fragments sourced from natural reefs were collected and placed onto artificial reef linked to marine accretion device to facilitate their growth. Projected annual growth for Branching Coral and Boulder Coral is estimated at an impressive 28.8 cm and 4.1 cm respectively. Regular maintenance dives ensure the removal of unwanted algae, safeguarding the health of the marine ecosystem.

Restoration of Coral reefs

The project's success is evident in the thriving presence of diverse marine life. The reef has transformed into a haven for a variety of fascinating creatures, including Chromis, Glassfish, Wrasses, Hawkifsh, Trevallies, Dragonets, Borer Clams/ worms, and Coral Round Crabs. Measurable impact is another hallmark of this initiative. The bio-diversity index has risen by 0.23, signifying a flourishing ecosystem, and a remarkable 69% survival rate for coral fragments highlights the project's effectiveness.

Beyond restoration, the collaboration extends its reach through community awareness. 10 sessions were conducted for students, forest officials, fishermen, coastal police, and communities, promoting responsible marine practices. Furthermore, the Reef Scrapper Initiative organized twelve beach clean-up drives, collecting over 560 kilograms of waste and significantly reducing marine pollution.

Thriving Marine Life

Marine Megafauna Rescue at Karnataka Coast

Since 2019, GMM Pfaudler's partnership with ReefWatch Marine Conservation has been instrumental in protecting Karnataka's rich marine ecosystems through the Karnataka Marine Megafauna Rescue program. This program tackles the critical issue of Marine Megafauna Strandings, where endangered or vulnerable species like whales, dolphins, sea turtles, and sharks become beached. By prioritizing swift response, the program has addressed a total of 324 stranding cases since its inception, including 100 cases this year alone. Their efforts extend beyond immediate rescue; 16 sea turtle nests were identified, monitored, and protected, with 884 hatchlings released safely into the ocean. Additionally, 9 injured sea turtles received treatment and were successfully released back into the wild. Recognizing the importance of community involvement, the program conducted 10 awareness sessions for students, forest officials, fishermen, coastal police, and local communities. These sessions covered marine megafauna stranding protocols, marine biodiversity, and threats to marine life, including pollution. Notably, awareness sessions on sustainable fishing practices motivated 200 fishermen to join the marine stranding responders' team, significantly strengthening the program's reach and impact along the Karnataka coastline.

Marine Megafauna Rescue

Dissemination of Improved Biomass Cookstoves ("IBCS") in the rural areas of Gujarat

GMM Pfaudler Foundation partnered with Sardar Patel Renewable Energy Research Institute (SPRERI) in FY23 for the Improving Lives with Biogas Cookstoves (IBCS) project, a CSR initiative addressing the health and environmental challenges faced by women in rural Gujarat.

Traditional, inefficient biomass-burning stoves in poorly ventilated kitchens posed health risks. The IBCS, designed by SPRERI, maximizes fuel efficiency, reduces harmful emissions, and enhances safety. The project resulted in a healthier environment for families, particularly women and children, due to reduced pollutant exposure. Additionally, it improved productivity with less time spent collecting fuelwood, reduced fuel consumption lowering costs, and mitigated greenhouse gas emissions by an estimated 6,092 tonnes annually. Over 850+ cookstoves were distributed across 13+ villages in Gujarat's Anand and Panchmahal districts, directly benefiting these communities.

Distribution of IBCS

Environmental Compliances

At GMM Pfaudler, we prioritize strict adherence to all applicable regulations and ensure that we have obtained the necessary approvals from local authorities at all our sites. There were no instances of non-compliance or fines imposed throughout the year. In addition, our factories are ISO 14001 certified, which demonstrates our dedication to implementing sustainable practices.

Index

At GMM Pfaudler, our vision is to create a better future. Our commitment to sustainability goes beyond delivering exceptional products and services to our customers. We understand the importance of promoting comprehensive and inclusive development for all our stakeholders to ensure the ongoing prosperity of our company. Ensuring active participation and collaboration from our employees, supply chain partners, customers, and the community is a fundamental aspect of our commitment to sustainable growth.

EMPLOYEES

Our success at GMM Pfaudler is built on the talent and dedication of our employees. We foster a meritocratic workplace that offers equal opportunities and rewards excellence, regardless of background. We attract top talent by providing competitive salaries and benefits, alongside a range of professional development opportunities. Through comprehensive people policies, we strive to create a secure and supportive environment for all our employees. Given the nature of our work, safety is paramount, and we implement rigorous measures to ensure the well-being of our workforce. Furthermore, a well-defined Code of Conduct promotes ethical and inclusive behavior throughout our entire organization, including subsidiaries and across the value chain. Our Whistleblower Policy empowers employees to report any suspected wrongdoing without fear of retaliation. In essence, we invest in our people, who in turn, are the driving force behind our achievements.

Workforce Diversity

GMM Pfaudler recognizes the strength that diversity brings to our organization. We value individual differences, diverse backgrounds, and the unique perspectives that come from varied experiences. These elements are essential for building a resilient and future-proof business. To promote greater gender diversity in Indian manufacturing, we conducted thorough workforce planning to identify roles suitable for female candidates. In FY24, we held a specific recruitment drive focused on attracting qualified women. Furthermore, we are developing a retention strategy to support and empower our existing female workforce. Our commitment to diversity extends beyond recruitment; we foster a welcoming and inclusive environment through regular training programs on the Prevention of Sexual Harassment (POSH) and Diversity & Inclusion. By prioritizing these initiatives, GMM Pfaudler strives to create a balanced workplace where everyone feels valued and empowered to contribute their best.

MORE DETAILS ON THE CODE OF CONDUCT & ETHICS POLICY, POSH & WHISTLE BLOWER POLICY ARE AVAILABLE AT OUR WEBSITE:
https://www.gmmpfaudler.com/investors/policies-programmes

Employee Break-up: FY24

Year	Employee Type	Employee	Age Group (no.)			Gender (no.)	
			<30 Years	30-50 Years	>50 Years	Male	Female
FY22	Permanent	743	171	521	51	707	36
FY23	Permanent	809	194	567	48	779	30
FY24	Permanent	784	158	585	41	755	29

Hiring and Turnover:

Year	New Hires	Age Group (no.)			Gender (no.)	
		<30 Years	30-50 Years	>50 Years	Male	Female
FY22	201	67	129	5	194	7
FY23	183	95	88	0	179	4
FY24	165	106	55	4	161	4

Attrition:

Year	New Hires	Gender (no.)	
		Male	Female
FY21	27	25	2
FY22	74	67	7
FY23	122	112	10
FY24	124	119	5

Ratio of Basic Remuneration of Women to Men

Employee Category	Officer	Staff
Ratio of Basic Remuneration of Women to Men	1.30	0.67

Equal Opportunities & Pay

At our company, we prioritize a fair and inclusive work environment. Competency Based Interviewing ensures all candidates are evaluated solely on their skills and abilities, promoting equal opportunity from the very start. Salaries are transparent and based on objective criteria like qualifications, experience, and performance, eliminating bias. We value both excellence and loyalty, offering a comprehensive remuneration package that includes bonuses, stock options, and competitive benefits tied to performance and tenure. Furthermore, we exceed minimum wage standards, ensuring all on-roll employees receive a fair wage and a decent standard of living.

Employee Benefits

GMM Pfaudler understands the importance of employee well-being and a healthy work-life balance. Our comprehensive employee benefits program goes beyond just compensation, fostering a productive and secure work environment. We offer complete health and accident insurance coverage for both male and female employees, along with access to various medical resources like the Occupational Health Centre, Employee Health Care Scheme, company ambulance, and hospital partnerships. Furthermore, the Group Medical Policy extends coverage to our employees' parents, ensuring a wider safety net. Recognizing the challenges faced by working parents, we provide maternity benefit, as well as daycare facilities, available to all female employees. This commitment to work-life balance is reflected in our outstanding 100% return-to-work rate and 95.45% retention rate for permanent employees who take parental leave. By providing these benefits, we empower employees to focus on both their careers and families, contributing to a more engaged and productive workforce.

Training and Development

In recognition of the ever-evolving needs of our industry and client expectations, we prioritized a robust training and development program for our employees. We understand that a skilled and competent workforce is instrumental in ensuring accurate execution of labor-intensive manufacturing processes and maintaining the highest quality standards across our products.

Our training programs encompass a comprehensive range of topics, including leadership development, essential functional skills, behavioral skills for a positive work environment, and operational training focused on efficiency and loss minimization.

Furthermore, we collaborate with renowned external trainers to offer a blend of self-paced and instructor-led programs that cater to both personal and professional development.

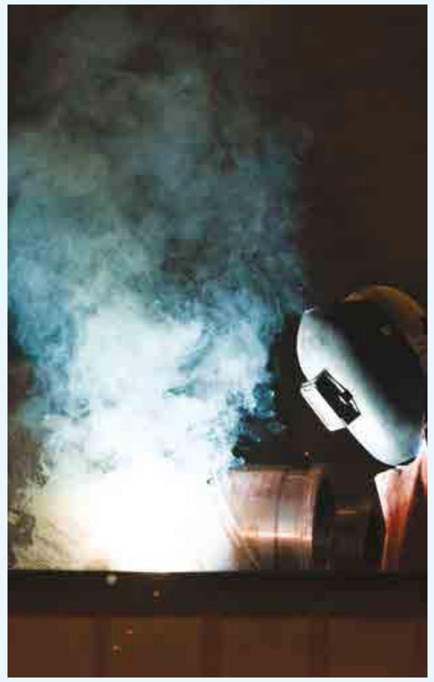
These programs cover crucial areas like leadership and critical thinking, empowering our employees to excel in their roles. FY24 witnessed significant progress in our training efforts, with over 35 training sessions conducted on more than 20 diverse topics. This translates to a commendable 6,900+ man-hours dedicated to cultivating skill development and employee competency.

Safety remains paramount at GMM Pfaudler. We are committed to providing safety training to 100% of our permanent and contractual workforce, ensuring a safe and healthy work environment for all.

Our commitment extends beyond core skills and safety; we recognize the importance of Environmental, Social, and Governance (ESG) awareness. In FY24, employees received an average of 5.5 hours of ESG training. Looking ahead, we are excited to launch new online modules under the NEEV initiative. These modules, accessible to all employees, will cover crucial topics like the impact of discrimination and exclusion in the workplace, legal aspects of promoting equal opportunities, fostering diversity and inclusion, and recognizing unconscious biases. Additionally, we will be deploying online training programs on the Code of Conduct & Ethics, Anti-Corruption practices, and POSH (Prevention of Sexual Harassment) - all critical areas for maintaining a positive and ethical work environment. By investing in our employees' development, we empower them to excel in their roles, contribute effectively to our success, and navigate the ever-changing landscape of our industry.

Welder Training Program

GMM Pfaudler's commitment to quality extends to its workforce through the Welder Training Program. This program, established at our Vatva plant, operates dedicated training centers to elevate the skills of both existing and new welders in a range of techniques. These include Gas Tungsten Arc Welding (GTAW), Shielded Metal Arc Welding (SMAW), Submerged Arc Welding (SAW), Flux-cored Arc Welding (FCAW), and Electro Slag Strip Cladding (ESSC). The program offers a well-rounded curriculum, encompassing both theoretical knowledge and practical experience to ensure a strong foundation in each welding process. Before undertaking any welding task, all personnel undergo a rigorous proficiency test at the training center to assess their abilities. Successful completion of this test leads to the issuance of a welder card, specifying the types of welding jobs and materials the individual is qualified for. To maintain these high standards, welders are required to undergo a proficiency check every six months, ensuring their continued competence. This program not only empowers our workforce through upskilling but also translates to tangible benefits like improved product quality and reduced waste generation.



Workplace Health and Safety

Ensuring a safe and healthy work environment is a top priority at GMM Pfaudler. We recognize it as both a moral imperative and a foundation for smooth business operations. Our unwavering commitment extends to preventing all forms of injuries, illnesses, and fatalities, addressing both physical and mental well-being. This commitment is translated into action through a multi-pronged approach. We leverage cutting-edge technology to identify and mitigate potential hazards. Comprehensive training programs equip our employees with the knowledge and skills necessary to work safely. We prioritize safety by providing appropriate personal protective equipment (PPE) and maintain a rigorous incident tracking and reporting system to identify areas for improvement. FY24 saw significant progress in fostering a culture of safety across our manufacturing locations. This is evidenced by the successful completion of surveillance audits for ISO 45001:2018 at our Vatva & Hyderabad factory. All our three-manufacturing facilities ISO certified.

Zero Accident & Zero Injury

To achieve zero incidents and zero reportable accidents, the company has implemented comprehensive health and safety measures. This includes Behavior-Based and Safety Induction Training for all employees, with a focus on new hires and contractors. Shop floor safety has been enhanced with first aid boxes, fire extinguishers, clear safety visuals, trolleys for cylinder transport, guards on grinding machines, and specialized equipment like scaffolds, scissor lifts, and safety harnesses. Additional improvements include screens for grinding, marked gangways, standardized PPE, and advanced electrical safety features.

A digital tool Mi Safe App is used to reports unsafe conditions & unsafe acts where the closure of the reported safety deviations are monitored by a Steering Committee and Observation team. "5S" monitoring, checklists, and audits ensure work area safety. Medical checkups were completed, and National Safety Week was celebrated with awards. In FY24, there were zero reportable accidents or incidents, reflecting the effectiveness of these initiatives.

Reward & Recognition

We have iAppreciate Reward & Recognition Program to reinforce valued behaviors and leadership messages. This program encourages managers and the leadership team to acknowledge and reward desired behaviors, fostering collaboration and providing a platform for peer appreciation. This program aligns recognition with individual and business goals, recognizing exceptional performance that exceeds grade expectations. Recognition criteria encompasses performance tied to goals and consistent display of core values, positively impacting the organization's internal and external environment.

Human Rights

In FY24, an independent third-party conducted a comprehensive human rights due diligence assessment across our facilities. This assessment covered a wide range of topics, including diversity and inclusion, equal rights and pay, labor rights, grievance redressal mechanisms, disability rights, supplier code of conduct, and other relevant human rights considerations. The results identified areas for improvement in policies, procedures, and training programs. We are committed to addressing these findings by modifying existing policies, creating new ones where needed, and implementing or enhancing training programs. Our goal is to foster a workplace that respects and upholds the human rights of all employees, while ensuring responsible sourcing practices throughout our supply chain. This commitment is an ongoing journey, and we are dedicated to continuous improvement in this vital area.

Key Human Rights Elements:

Respect for Human Dignity

We uphold human dignity and promote human rights in line with the UN's Universal Declaration of Human Rights. We strictly prohibit unlawful child labor and exploitation of children and adolescents. We respect employees' rights to join labor unions and ensure fair compensation, benefits, reasonable working hours, and paid leave.

Equal Opportunity and Prohibition of Discrimination

We provide equal opportunities to all our employees and to all eligible applicants for employment in our company, without discriminating based on race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability, or any other legally protected category.

Non-Harassment

We do not tolerate harassment of any kind. Harassment can unreasonably interfere with an individual's work performance and create an intimidating or offensive work environment. Our commitment is to ensure a safe and respectful workplace for everyone. Any behavior that undermines this standard is addressed promptly and effectively.

SUPPLIERS

At our company, we recognize the value of working together with different supply chain partners to obtain the essential inputs for our operations. As part of our dedication to our customers, we make sure that the majority of our raw materials are sourced from specific suppliers. Nevertheless, we have made deliberate efforts to work together with partners who are located near our facilities. By implementing this strategy, we can not only reduce carbon emissions associated with transportation and storage, but also improve our cost management capabilities.

Our Sustainable Sourcing strategy is centered around three key elements: Guidelines, Assessment, and Collaborative Innovation. Our Guideline component provides a comprehensive set of policies and procedures tailored to meet the needs of our suppliers. These guidelines outline our procurement process for materials. Our Sustainable Procurement Policy and Supplier Code of Conduct outline our clear expectations for sustainable practices.

To ensure compliance with our guideline, we regularly conduct Supplier Sustainability Risk Rating and Supplier Self-Assessment for environmental and social criteria. These evaluations offer valuable insights into the sustainability risks and compliance levels within our supply chain. In FY24 we evaluated our suppliers using the Eco Vadis Assessment and achieved an impressive average category score of 91.5%.

Our Collaborative Initiative focuses on reducing waste, optimizing resource efficiency, and promoting sustainable production and consumption. In FY24, we launched several successful collaborative efforts, including supporting small and local businesses by sourcing 21% of our materials from MSMEs in India. We've made notable progress in minimizing our environmental footprint through initiatives such as adopting 50+ micron stretch film for durable and minimal-waste product wrapping, and using recycled low-density polyethylene (LDPE) film to significantly cut down our plastic use.

We have reduced new wooden material usage from 7300 to 6400 cubic feet by substituting wood with more sustainable materials like metal sheets and ply/cardboard. We also repurpose wooden waste into saddle supports for transportation, further decreasing our resource consumption and environmental impact.

We enforce the use of recyclable packaging materials through our Purchase Order Clauses, ensuring our environmental standards are maintained across our supply chain. Additionally, we've eliminated the use of non-biodegradable thermocol sheets by adopting a new, sustainable packing method for quality dossier files.

More details about our supplier code of conduct can be found at: *https://www.gmmpfaudler.com/file/Suppliers_Code_of_Conduct.pdf*

CUSTOMERS

GMM Pfaudler is committed to building strong and valuable partnerships with our customers. We leverage our strengths – technological expertise, manufacturing capabilities, global reach, and brand reputation – to create meaningful connections. By actively engaging with customers and immersing ourselves in their processes and challenges, we go beyond simply meeting their stated needs. Our advanced technologies and extensive knowledge allow us to uncover and address even unvoiced requirements. This collaborative approach fosters the development of customized solutions that not only benefit our customers but also fuel innovative growth for GMM Pfaudler. We prioritize continuous improvement through customer feedback mechanisms, offering a variety of channels for open communication – website, customer meetings, satisfaction surveys, helplines, and technical support. Furthermore, we are committed to safeguarding customer information through robust data privacy policies and systems. In essence, we view our customers as partners in success, and their feedback is instrumental in driving our journey of innovation and excellence.

GMM Pfaudler's Sampling System

Ensuring the safety of workers and minimizing risks during production are paramount concerns in the chemical and pharmaceutical industries. GMM Pfaudler's innovative sampling system addresses these challenges, specifically for glass-lined and alloy reactors that handle corrosive and hazardous fluids.

Traditional methods of taking periodic samples often require stopping the reactor and manual extraction, exposing workers to potential dangers. GMM Pfaudler's solution eliminates these risks by enabling online sampling -collecting samples directly from the reactor while it's running. This completely eliminates human exposure to hazardous materials.

Furthermore, **the system boasts a PTFE/PFA lining,** guaranteeing exceptional corrosion resistance against the harsh chemicals it encounters. This safeguards not only personnel but also the integrity of the sampling process itself. Additionally, the visual check window on the system allows for safe and easy monitoring of the sampling process.

Designed with safety at its core, the system utilizes an air-operated diaphragm pump to extract samples. This eliminates the need to stop the reactor even under pressure, minimizing downtime and enhancing process efficiency. Finally, the system allows for complete flushing with nitrogen, ensuring complete drainability and eliminating residual contamination risks.

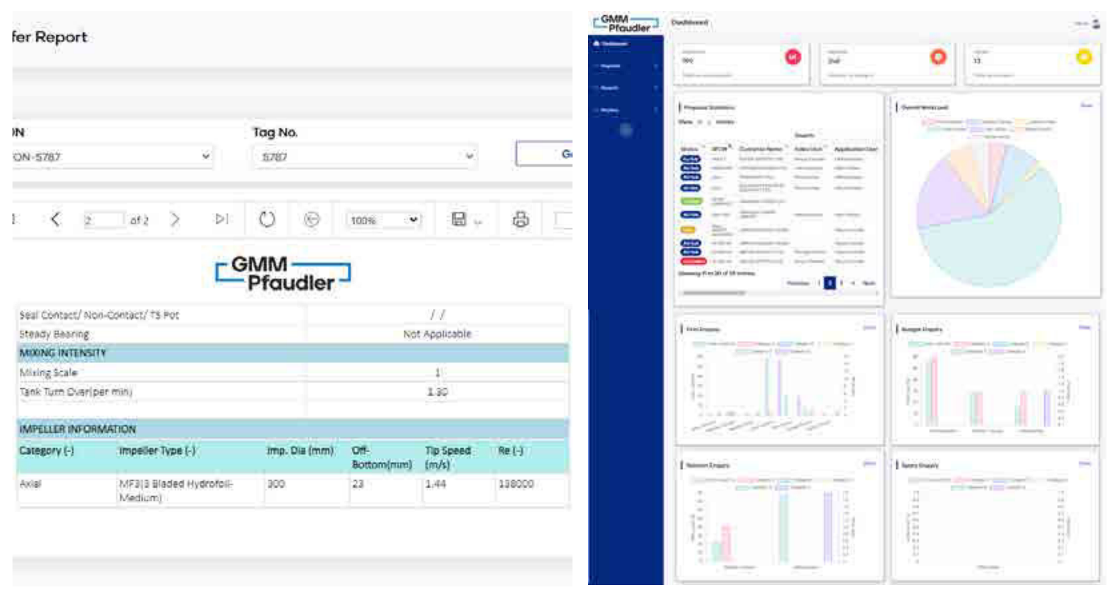
In essence, GMM Pfaudler's sampling system offers a triple win: **enhanced safety for workers, improved process efficiency, and complete confidence in sample integrity.**

GMM Digital Solutions

As part of the digital solutions offered by GMM, several innovative projects have been successfully implemented to enhance efficiency for both clients and employees. One such project is the **Mixion Design Tool**, which has undergone multiple phases to improve its capabilities. The initial phase enabled users to perform quick and accurate calculations for application engineering, created a searchable database for future reference, and delivered ready technical offers. Upcoming phases plan to expand design options, improve functional capabilities, and incorporate a cost database to generate commercial offers and link to AutoCAD for general assembly drawing preparation.

Another significant project is the **Automated Order Forwarding Note (OFN) Generation system**. This application automates the creation of OFNs based on data collected during the inquiry stage, eliminating the need for manual data entry. This automation reduces errors and delays, enhancing accuracy and efficiency, thus improving collaboration between sales and execution teams and accelerating workflows, which ultimately boosts customer satisfaction.

The Inspection and Welding Management Software (IWMS), including its upgraded version IWMS 2.0, revolutionizes welding instruction slip generation and management. By automating these processes, the system achieves high productivity and accuracy, reducing the slip generation time from minutes to seconds. It maintains a comprehensive database of project-specific weld maps, Welding Procedure Specifications (WPSs), and certified welders, tracking consumable usage in real-time and ensuring complete traceability for quality assurance. The IWMS not only streamlines internal processes but also demonstrates the company's commitment to automotive-grade quality and efficiency, delighting customers with its advanced capabilities.



GMM DIGITAL SOLUTION

SOCIAL INITIATIVES THROUGH CSR PROJECTS

Healthcare

GMM Pfaudler is dedicated to improving healthcare accessibility and making a positive impact on the well-being of local communities. Through the GMM Pfaudler Foundation, our company has undertaken significant projects such as the ESIC Hospital Upgradation and Sparsh 2.0. These initiatives are designed to extend the reach of high-quality healthcare services to those in need. By upgrading essential medical facilities and launching comprehensive healthcare programs, we aim to ensure that more people have access to the medical care they deserve. Our commitment reflects a broader goal of fostering healthier, more resilient communities.

Project Sparsh 2.0

GMM Pfaudler has been supporting Charutar Arogya Mandal (CAM) since 2016 in the implementation of Project SPARSH (Shree Krishna Hospital Programme for Advancement of Rural and Social Health). This collaboration aims to bring modern healthcare facilities to local communities in Karamsad, Gujarat. Through the project, trained Village Health Workers (VHWs) provide appropriate healthcare services in their own villages, complemented by health centres in nearby towns/villages and a tertiary care centre for critical cases. SPARSH focuses on preventing, treating, and caring for chronic diseases such as diabetes, hypertension, cancer, and chronic respiratory diseases, contributing to reduced healthcare costs, improved productivity, and increased life expectancy. Project Sparsh 2.0 is aimed at addressing Non-Communicable Disease (NCD) risk indicators such as Pre-Obesity, Central Obesity, Pre-Hypertension, and Pre-Diabetes. The project focuses on screening patients, providing interventions, and raising awareness about NCDs to improve overall health outcomes and promote sustainable healthcare practices. Various interventions are implemented under Project Sparsh 2.0, including medical camps, community awareness sessions, home delivery of medicines for chronic patients, and home visits for bed-ridden patients. These activities ensure comprehensive coverage and engagement with the target population.


Medical Health Camp

400+ Health Camps conducted in FY24	**10,000+** Patients Consulted in camps in FY24	**2,400+** Health Camps conducted in the last 7 years	**80,000+** Patients Consulted in camps till date in the last 7 years

Upgrading facilities in the mother and childcare division at ESIC Hospital Nacharam, Hyderabad.

GMM Pfaudler Foundation has undertaken a 3-year long phased upgradation of maternity ward at ESIC Hospital Nacharam, Hyderabad.

In addition to the four-equipment donated in FY23, the Foundation has donated a Bubble PAP, Two Infant Radiant Warmers, a Blood Gas Analyzer, Coagulation Analyzer and Towel & Fluid warming system in FY24. These equipment enable healthcare professionals to oversee and monitor the healthcare of mothers as well as the new borns.


Ultra Sound Scanner

84,000+ Number of Scans/ Test conducted in FY24	**20,000+** Number of patients benefited in FY24	**10+** Equipment donated in the last 2 years

"The Foundation's contribution of Bubble CAP proved to be a ray of hope for two new born babies grappling with Infant Respiratory Distress Syndrome".


Infant Respiratory Support Device

GMM Pfaudler is committed to providing quality healthcare to the local communities

Education & Skill development

At GMM Pfaudler, we prioritize our community's education and skill development. We strongly believe that equipping individuals with knowledge is absolutely crucial for achieving success in an ever-evolving world. Our investment in education is in line with the United Nations Sustainable Development Goals, working towards a future that is sustainable and equitable. We place a strong emphasis on education in disadvantaged areas and marginalized communities, making sure that it is accessible to everyone. Our organization offers a wide range of educational opportunities, including classrooms, workshops, mentorship, and career programs. We strive to create an inclusive environment where everyone can engage in meaningful learning experiences. Through the promotion of a learning-focused environment and the provision of resources and assistance, we enable individuals to effectively navigate the obstacles of the present.

Skill Development at JV Patel Industrial Training Institute. (JVP ITI)

GMM Pfaudler Foundation has partnered with JVP IT to promote education and skill development and to enhance vocational employment opportunities among the local community. The Institute has been providing skill development training to the local unemployed youth in National Vocational Training (Draughtsmen Mechanical, Electronic Mechanic, Fitter, Electrician, Wiremen, Welder, Sheet Metal courses), Technical Education Board and Pradhan Mantri Kaushalya Vikas Yojana trades. Over the span of six years JVP |TI has successfully provided skill development training to over 1000+ youths.


Classroom Training- Electrician


Industrial Visit at Vulcan

Success Stories

"All my children are settled, thanks to the training given at JVP ITI. I can now retire peacefully"

-Parent of Alumni JVP ITI

Upgrading facilities at J.V Patel Industrial Training Institute ("JVP ITI") at Karmasad, Gujarat

To improve the quality of education imparted to the students and enhance their employment prospects GMM Paudler Foundation has partnered with JVP |TI to modernise the facilities of the existing institute which includes setting up of a new IT Lab. In addition, the Foundation has also taken up the construction of a new wing in a phased manner. The construction of a new wing will enable the introduction of additional educational programs thereby catering to a larger student population addressing their education needs.

Among various employment skills & awareness workshops, the Foundation also organized an awareness session in collaboration with Project SPARSH on the consequences of consumption of Tabacco and Alcohol which was attended by 250+ students and staff members of the institute thus enabling students to make informed decisions & cultivate a well- rounded approach to personal development.


Modernizing of Theory Classrooms


Inauguration of IT Lab


Awareness session on consequences of consumption of Tobacco and Alcohol

Project Adopt a Home


Distribution of Uniform


Certificate course in Active Basic IT

GMM Pfaudler Foundation has partnered with Catalyst for Social Action to extend educational support and provide basic facilities and safety to 70 underprivileged children across two Childcare Institutions (CCI's) at Sangli in Maharashtra. Various educational initiatives were taken in both the CCI's which includes engagement of tuition teachers emphasizing on the development of foundational literacy and numeracy skills of students. School uniforms were provided to the students to ensure accessible and equitable education. Developmental training sessions on child safety and awareness were conducted at both CCI's.

A certified course in Active Basic IT is conducted in collaboration with the NIIT Foundation, aimed to enhance the computer knowledge and skills of students. Furthermore, recreational activities such as self-defence karate workshops and paper quilling were organized.

As part of capacity-building, training sessions on Child Protection Policy were organized for CCI staff.

Upgrading sanitation facilities & providing basic requirements at Railway Station Primary School at Karamsad, Gujarat

Sanitation and drinking water facilities at Railway Station Primary School were in a very poor condition, adversely impacting the health and overall wellbeing of 350+ students.

GMM Pfaudler Foundation has initiated the upgradation of sanitation and drinking water facilities at the school. Additionally, the Foundation has supported the students by providing school bags and PT uniforms.


Distribution of PT Uniform


Distribution of School Bags

Provision of drinking water facility at Vatva Gujarati Saraswati Vidhyamadir School at Vatva, Gujarat

Vatva Gujarati Saraswati Vidhyamandir school relied on a single source of water to meet all its requirements, including drinking water and sanitation which posed a significant health risk to over 1300+ students

GMM Paudler Foundation has taken up the initiative to install two water filters and water cooler systems with an aim to provide sustainable solution for clean and safe drinking water for the students.

EMPLOYEE VOLUNTEERING

The GMM Pfaudler Foundation has actively participated in various community and employee engagement initiatives, focusing on health, education, and environmental conservation.

Employee Sensitization Session

GMM Pfaudler Foundation partnered with Charutar Arogya Mandal, organized a sensitization session for the employees of GMM Pfaudler under Project SPARSH 2.0. The session aimed on imparting knowledge about the project and basic information on measuring various health parameters adopted during medical camps conducted by Mobile Health Teams (MHT) under project SPARSH 2.0. Over 20+ employees actively participated in the sensitization session.

Also employees of GMM Pfaudler actively volunteered in the MHT camps organized in the villages.


Employee Sensitization session

World Ocean Day Session

GMM Pfaudler Foundation, in collaboration with ReefWatch Marine Conservation, organized an awareness session on the significance of oceans and the importance of protecting and preserving these precious resources on the occasion of World Oceans Day, with participation of over 450+ employees.


Computer Training at JVP ITI

Computer Training Course at JVP ITI

GMM Pfaudler Foundation in collaboration with the IT team of GMM Pfaudler Limited successfully completed the first batch of computer training course at JVP ITI with about 15+ students.

Blood Donation Camp

GMM Pfaudler Foundation in collaboration with Shree Krishna Hospital organised blood donation camp at JVP ITI.

Approximately 30 employees from GMM Pfaudler along with students and staff members of JVP ITI participated in this camp.


Blood Donation Camp

500+ volunteering hours completed through these programs, the GMM Pfaudler Foundation continues to drive social responsibility and community service, enhancing community health and environmental awareness.

Governance

Index

At GMM Pfaudler, we have successfully integrated Environmental, Social, and Governance (ESG) considerations into our governance framework. This integration has allowed us to proactively manage risks, capitalize on opportunities, and make significant contributions to society and the environment. We are committed to maintaining responsible governance, which helps build trust with our stakeholders and drives sustainable growth, creating long-lasting value. We are committed to upholding high standards and leading by example for a sustainable future. Our focus is on meeting the diverse needs of our stakeholders, while maintaining accountability and responsible resource utilization. In this section of our sustainability report, we will provide a detailed overview of our governance practices, emphasizing our dedication to transparency, ethical conduct, and meeting the changing expectations of our stakeholders.

BOARD & POLICIES

The Board of Directors and Committees oversee the company's operations, guiding the management team to safeguard the long-term interests of stakeholders. In addition, the Board ensures compliance with relevant regulations led by our Code of Conduct and ethical standards across all locations of our company and its subsidiaries. Our Board consists of experienced professionals who provide the strategic leadership and skills necessary for business growth, aligned with our ESG goals. In FY24, the Board of Directors held 7 meetings, achieving participation rate of 100%.

Enabling Governance structure

Our governance framework, rooted in the company's core principles, is implemented through the standing committees of the Board. The Committees ensure that we align our execution framework to our short, medium, and long-term strategic intent, following the highest standards of corporate conduct, ethics, and transparency. The standing committees provide oversight of all operational matters, integrating our ESG goals into every business objective and execution strategy.

Corporate Governance Framework

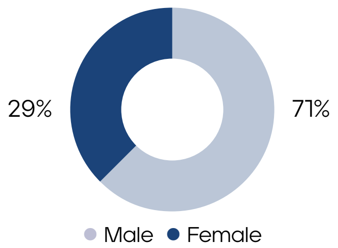
Board of Directors
Responsible for ensuring long-term business strategy, enhancing shareholders' value, and overseeing the interest of all stakeholders

Board Committees
Oversees specialised areas of operations, and provides recommendation based on expertise

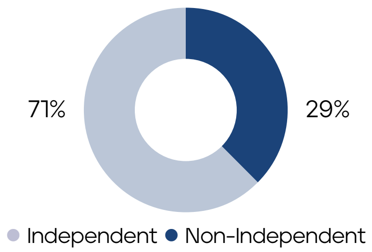
Management
Implement policies and procedures, manages everyday operations

Board Statistics

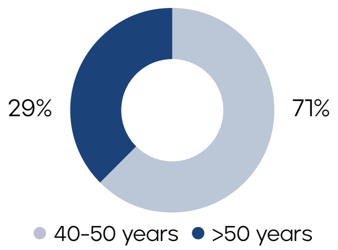
Board Diversity



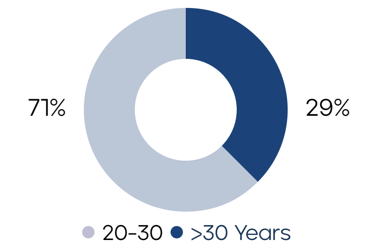
Board Independence



Board Age Profile



Board Experience



Board Committees

Board Committees enhance the Board of Directors' effectiveness by delivering specialized expertise and insights, refining and upholding governance policies, and providing thorough, regular reports that ensure informed decision-making and accountability.

Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Allotment Committee
• Members: 4	• Members: 3	• Members: 3	• Members: 4	• Members: 5	• Members: 3
• Independence: 100%	• Independence: 100%	• Independence: 67%	• Independence: 50%	• Independence: 60%	• Independence: 67%

All committees are chaired by Independent Directors.

Brief role of these committees:

- The **Audit Committee** oversees financial reporting, internal controls, and audit processes.
- The **Nomination & Remuneration Committee** identifies and nominates qualified candidates for board positions & executive roles and establishes remuneration policies.
- The **Stakeholders Relationship Committee** facilitates effective communication and engagement with stakeholders.
- The **Corporate Social Responsibility Committee** develops and oversees CSR initiatives aligned with the company's values.
- The **Risk Management Committee** oversees the implementation and effectiveness of the company's risk management framework.
- The **Allotment Committee** manages the allotment of shares during capital raising activities.

These committees collectively ensure that GMM Pfaudler adheres to the highest standards of corporate governance, fostering transparency, accountability, and sustainable growth within regulatory frameworks.

Management

The Managing Director sets the overall direction for the company's effective management, overseeing corporate strategy, brand equity, planning, external relations, and key management issues. The Chief Executive Officer (CEO) and Chief Financial Officer (CFO), along with a team of senior executives, assist the Managing Director in these responsibilities, ensuring cohesive and efficient operations aligned with the company's strategic goals.

Policies

Scan the QR Code to see our policies

Our policies provide an enabling framework that supports the realization of our governance vision and ensures transparency both within our organization and externally.

A Snapshot of Our Policies

- Anti-Corruption Policy
- Anti-Sexual Harassment Policy
- Antitrust Guidelines
- Board Diversity Policy
- Code of Conduct & Ethics Policy
- Code of Conduct for Prevention of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Communications Policy
- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Environment Social Governance Policy
- Export Compliance Guidelines
- Familiarization Policy
- Nomination, Remuneration & Evaluation Policy
- Policy and Procedure for enquiry in case of Leak/ Suspected leak of Unpublished Price Sensitive Information
- Policy for Determining Material Subsidiaries
- Policy for Preservation of Documents & Archival of Documents
- Policy on Determination of Material Events
- Policy on Related Party Transactions
- Risk Management Policy & Strategy
- Suppliers' Code of Conduct
- Whistle Blower Policy

Code of Conduct & Business Ethics

Our comprehensive Code of Conduct and Ethics Policy (GMMCOC) applies to all employees, guiding their behaviour and fostering trust with stakeholders. The GMM COC aligns with the Companies Act, 2013, and sets clear expectations for employees, business conduct standards, and director responsibilities. We conduct business ethically, adhering to anti-trust and anti-corruption policies, laws, and regulations. To ensure ethical practices across our supply chain, our agreements with suppliers, contractors, and business partners include adherence to our ethical principles. Furthermore, our suppliers and service providers are also bound by their own separate Supplier's Code of Conduct. To ensure a culture of transparency, we have multiple channels for reporting concerns, receiving various complaints, all of which were effectively addressed. We are dedicated to building and maintaining a strong ethical foundation for sustainable business success.

Anti-Sexual Harassment Policy

GMM Pfaudler has a strict zero-tolerance policy towards any form of harassment, including sexual harassment. This policy ensures to maintain a workplace where everyone is treated with respect & dignity and that all employees, regardless of their position, can work in a safe and supportive environment. Each reported incident is promptly & thoroughly investigated in accordance with the Prevention of Sexual Harassment Act, 2013 and Company's policies. Anyone found violating this policy will face appropriate disciplinary actions, which could include termination. Our goal is to foster a culture of respect, inclusion, and equality, where every individual feels valued and protected.

CORPORATE GOVERNANCE

At GMM Pfaudler Limited, corporate governance is recognized as a critical factor in maximizing shareholder value within legal, ethical, and sustainable frameworks. Our corporate governance approach prioritizes fairness for all stakeholders involved. We highly value the trust of our investors, and we uphold integrity as the bedrock of our performance. Our Board takes its fiduciary responsibilities seriously, embracing a comprehensive perspective on its duties. We strive to align ourselves with international best practices in corporate governance, fostering transparency through our disclosures. Our commitment extends to enhancing long-term shareholder value and safeguarding the rights of minority stakeholders across all our business activities.

For more details, refer to the Corporate Governance section at: https://www.gmmpfaudler.com/investors/corporate-governance-and-compliance

Awards and Recognition

GMM Pfaudler's commitment to ESG excellence is reflected in the recognitions we have received throughout FY24.

India's leading listed ESG entities for 2024
Dun & Bradstreet

Bronze Sustainability Rating
ECO Vadis

Sustainable Partnerships
Aarti Industries

'Rising Star Award' and 'Best Company in Engineering'
Fortune India's The Next 500 Event

SUSTAINABILITY GOVERNANCE

GMM Pfaudler's robust sustainability governance structure guides our ESG efforts. The Board of Directors provides leadership and oversight of our Company's sustainability mission, while the ESG Steering Committee, composed of leadership, crafts the strategy and integrates it across operations. This committee also fosters stakeholder engagement and collaboration for sustainable value creation. Department heads, along with their teams, implement the strategy, providing data and insights to the Steering Committee for informed decision-making and transparent reporting. This collaborative approach ensures effective ESG integration throughout the company.

ESG Steering Committee

The ESG Steering Committee sets sustainability-related goals for the organization and steers our agenda on this front. The Committee formulates strategy and execution roadmaps in line with the ESG vision defined by the Leadership. It provides specific guidance and operational insights to the ESG Working Groups, reviews public disclosures (ESG Report, Policies, other ESG related presentation or reports etc.), and presents them to the Leadership or Board for approval. The Committee also engages with stakeholders, including external rating agencies and auditors on topics relevant to our ESG performance and meets every quarter.

The roles and responsibilities of the ESG steering committee are:

- Formulate strategy and execution road maps in line with the ESG vision defined by the Leadership
- Set annual targets to achieve sustainability goals of the organization
- Identify owners specific to KPIs of each focus area and map their roles & responsibilities
- Provide guidance and operational insight to KPI owners and the ESG Working Group
- Tracking progress of the KPI on a quarterly basis
- Present the disclosures to the Leadership or Board for approval
- Review and approval of public disclosures on ESG (Annual Report, ESG Report, Specific Disclosures, Policies)
- Engage with stakeholders, including external agencies and auditors relevant to ESG

CSR GOVERNANCE

At GMM Pfaudler, we are driven by the aspiration to bring about positive transformations in people's lives through a participatory approach, emphasizing inclusive growth and empowering nearby communities.

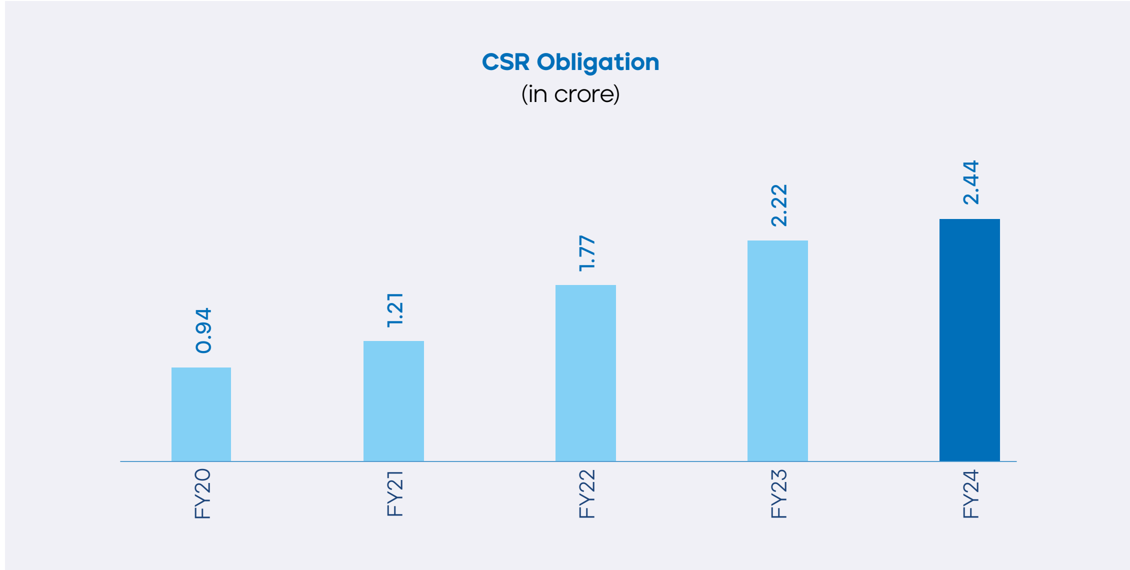
We actively lead and execute various community-focused initiatives and interventions that foster social development and sustainability. Our focus areas include healthcare, education and environmental sustainability.

GMM Pfaudler Foundation

In line with our CSR Strategy towards Societal Sustainability, we have streamlined all our collective efforts under one umbrella for better outreach and meaningful impact. With this vision, our Company has established a CSR Foundation under the name of GMM Pfaudler Foundation, a wholly owned subsidiary of the Company. The Foundation focuses on various CSR activities in accordance with our Company's CSR policy. All programs and activities undertaken as a part of CSR have a clear objective to create sustained impact in the most efficient manner.

For details of the CSR project undertaken during the year please refer to Annexure F of the board report.

> "GMM Pfaudler is dedicated to maximizing positive influence by envisioning a prosperous future for the communities where we operate. We firmly embrace our responsibility to enhance these communities, contributing to their social and economic development as well as environmental sustainability. GMM Pfaudler's focused approach will enable us to give back to the society and local communities in a more meaningful and impactful manner.."
>
> **Tarak Patel**
> *Managing Director*



BUSINESS CONTINUITY PLAN

GMM Pfaudler has a robust Business Continuity Policy which aids the company to mitigate potential disruptions and their impact on operations, ensuring smooth continuation of business activities during such events. It focuses on minimizing the time required to restore normal operations, protecting employees and essential facilities, and clearly defining roles and responsibilities for team members during emergencies. Additionally, the policy emphasizes the importance of assessing the impact of emergencies in terms of finance, time, services, and workforce, as well as maintaining effective communication with both internal and external stakeholders.

RISK MANAGEMENT

The GMM Pfaudler board has established a Risk Management Committee (RMC) to oversee the implementation and effectiveness of the risk management framework, as mandated by the Securities and Exchange Board of India's (SEBI) Listing Obligations and Disclosure Requirements (LODR). Previously, the Company's Audit Committee managed this framework.

GMM Pfaudler has institutionalized an Enterprise Risk Management (ERM) Framework that is regularly reviewed and benchmarked against industry best practices to enhance our value creation capabilities for stakeholders. This framework enables effective risk management through consistent processes for risk identification, assessment, treatment, and the review and monitoring of risks across the company.

The Risk Management Committee periodically evaluates and monitors key risks, including economic impacts, geopolitical issues, reputation and brand risks, competition, counterparty risks, foreign exchange and commodity price fluctuations, interest rates, cyber security, and ESG-related issues, among others.

In compliance with the Government of India's Companies Act 2013 and SEBI LODR, the Audit Committee oversees the company's financial risk framework. It reviews the internal financial controls and risk management system on an annual basis.

Risk Governance Structure: The Risk Management Framework spans the entire organization across all levels. For further information, please refer to the Management Discussion & Analysis Report of this Annual Report.

Corporate Information

Chairperson:	**Mr. Prakash Apte**
Managing Director:	**Mr. Tarak Patel**
Directors:	**Mr. Nakul Toshniwal** **Ms. Bhawana Mishra** **Mr. Vivek Bhatia** **Mr. Ashok Patel** **Ms. Shilpa Divekar Nirula** *(appointed w.e.f. May 22, 2024)* **Mr. Harsh Gupta** *(Upto August 18, 2023)* **Mr. Malte Woweries** *(Upto August 18, 2023)*
Key Management Team:	***Mr. Thomas Kehl,*** *Chief Executive Officer - International Business* ***Mr. Aseem Joshi,*** *Chief Executive Officer - India Business* ***Mr. Alexander Pömpner,*** *Chief Financial Officer - International Business* ***Mr. Manish Poddar,*** *Chief Financial Officer - India Business* ***Ms. Mittal Mehta,*** *Company Secretary & Compliance Officer*
Statutory Auditors:	**Deloitte Haskins & Sells** - *Chartered Accountants*
Internal Auditors:	***Ernst & Young LLP***
Solicitors:	**Trilegal** **MZM Legal** **L&L Partners**
Bankers:	**The Hongkong & Shanghai Banking Corporation Ltd.** **State Bank of India** **Axis Bank Ltd.** **HDFC Bank Ltd.** **Citibank N.A** **Kotak Mahindra Bank Ltd.** **DBS Bank India Ltd.**
Registrar & Share Transfer Agents:	**Link Intime India Private Ltd.**
Investor Relations:	**Valorem Advisors**

Disclaimer:

This document contains statements about expected future events and financials of GMM Pfaudler Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis Report of GMM Pfaudler Limited's Annual Report for FY24.

Please find our online version at

https://www.gmmpfaudler.com/investors/financial-results-reports/annual-reports

Or simply scan to download

Board of Directors

Mr. Prakash Apte

Chairperson - Independent Director

Mr. Prakash Apte serves on the Boards of Fine Organic Industries Limited, Blue Dart Express Limited, Kotak Mahindra Investments Limited and Kotak Mahindra Prime Limited as an Independent Director. He is also a trustee of the Anandashram Sanstha.

Mr. Apte served as a Non-Executive Chairman of Kotak Mahindra Bank Limited from 2018 till 2023. He was also a Non-Executive Chairman of Syngenta India Limited, an agricultural business company in India and a subsidiary of Syngenta Group, from May 2011 till September 2021 and as its Managing Director from November 2000 to April 2011.

Mr. Apte's professional career spans over 42 years with a wide range of experience in management and leadership as well as an in-depth knowledge of the agrochemicals and specialty chemicals industries. Mr. Apte was instrumental in setting up Syngenta Foundation India in 2005 which focuses on educating and providing resources to marginal farmers and facilitating rural entrepreneurship. In 2016, he was involved in setting up of the Indo-Swiss Centre of Excellence which aims to provide world class training in advanced vocational skills. Mr. Apte has served on the Boards of both these not-for-profit entities till mid-2021.

Mr. Apte has a B.E. (Mech) degree from the University of Pune and a Diploma in Business Management from University of Mumbai. He has also attended executive and leadership development programs at Harvard Business School, INSEAD and IMD.

Mr. Tarak Patel

Managing Director

Mr. Tarak Patel has been the Managing Director of GMM Pfaudler since June, 2015 and has been an Executive Director of the Company since 2007. Previously, Tarak served as Vice President, Sales and Manager of Corporate Development. Prior to joining GMM Pfaudler, Tarak worked with Universal Consulting, a leading Strategy Management Consulting and Growth Strategy Consulting Company based in Mumbai, India. Tarak has a BA in Economics from the University of Rochester, USA and an MBA degree jointly conferred by Columbia Business School, London Business School and University of Hong Kong (HKU) Business School.

Board of Directors

Mr. Nakul Toshniwal

Independent Director

Mr. Nakul Toshniwal is the Chairperson and Managing Director of Toshvin Analytical Pvt. Ltd. which is recognized as one of the largest analytical instrumentation companies in India. He started his career as an analyst with AT Kearney Inc. in New York, USA and has over 24 years of experience in managing, investing in and growing companies in diverse industries.

He graduated summa cum laude from The Wharton School, University of Pennsylvania, Philadelphia, PA and has a Master of International Public Policy degree from The School of Advanced International Studies, Johns Hopkins University, Washington DC.

Ms. Bhawana Mishra

Independent Director

Ms. Bhawana Mishra is the Founder Director of BasilTree Consulting Private Limited, a firm that works with the biggest names in corporate India in defining talent strategy, identifying and building leadership acumen and supporting individuals and teams to actualise their potential in line with the business strategy. Ms. Mishra also serves on the Board of GMM Pfaudler Foundation, a section 8 Company, which is a wholly owned subsidiary of GMM Pfaudler Limited.

Ms. Mishra has 26 years of experience across industries, as a talent and leadership development specialist. She started her career with hands-on work in talent management, strategic change and organizational transformation, and counts amongst her clients, CXOs and business leaders of a large number of Indian and multinational companies.

Ms. Mishra is an M.A. Applied Psychology (specialization in Organizational Behaviour) from the University of Delhi, 1997 and has a Level B Certification in Occupational Assessments from the British Psychological Society.

Mr. Vivek Bhatia

Independent Director

Mr. Vivek Bhatia is the Managing Director and Chief Executive Officer of Thyssenkrupp Industries India. Prior to joining Thyssenkrupp, Mr. Bhatia was with Boston Consulting Group, India where he worked extensively in the capital goods sector with clients in India and abroad on a wide canvas of topics. He is also the Chairman of the mining and construction equipment division of the CII.

Mr. Bhatia has worked across multiple business functions including strategy, operations and organization in the areas such as growth/ diversification, joint ventures and technology transfers, business turnaround/ transformation, working capital management, operations design and re-engineering, organization design and performance management systems. In 2013, he was awarded a BCG Olympics Gold Medal for the most insightful and impactful client work in the region.

Mr. Bhatia holds an MBA (from IIM Calcutta), M. Tech. (Gold Medalist from IIT Delhi) and B.E. (with Honours from University of Delhi).

Mr. Ashok Patel

Non-Executive Director

Mr. Ashok Patel has over 50 years of experience in the capital goods industry.

He has been a Director of GMM Pfaudler Limited since 1972 and was the Managing Director of the Company from 1988 to 2015. He is currently the Executive Chairman of the Company's subsidiary Mavag AG. He is on the Board of Skyline Millars Limited and Ready Mix Concrete Limited.

Mr. Patel holds a B. Sc degree from the University of Manchester Institute of Science and Technology, UK and a MBA from the Columbia University, USA.

Ms. Shilpa Divekar Nirula

Independent Director

Ms. Shilpa Divekar Nirula brings 28 years of extensive experience in the consulting, food, and agriculture sectors, having worked with prestigious organizations such as Arthur Andersen, KPMG, Bunge Agribusiness, Monsanto and Bayer CropScience. At Bayer CropScience, she led Regional Business Strategy for Asia-Pacific and co-led the Global Smallholder Strategy. She served as the Chief Executive Officer of Monsanto India from 2014 to 2018 and also held the position of Managing Director of the publicly listed entity in India.

Before her 13-year tenure at Bayer and Monsanto, Ms. Nirula was the Head of Strategy & Business Development in India for Bunge, a US-based agribusiness multinational. Her career began in 1996 at Arthur Andersen and KPMG, where she gained substantial experience serving clients across various industry sectors.

Since April 2020, Ms. Nirula has been mentoring businesses aiming for turnaround, growth, or startup success and has recently co-founded AGVAYA LLP, a consulting and advisory firm dedicated to assisting participants across the agriculture and food value chains.

She serves as an Independent Director on the Board of AstraZeneca Pharma India Limited and as an advisor to Omnivore, an agri-tech-focused venture capital fund.

Ms. Nirula holds an MBA from S. P. Jain Institute of Management & Research and is both a Chartered Accountant and a Cost & Works Accountant.

Leadership Team

Mr. Tarak Patel
Managing Director

Mr. Tarak Patel has been the Managing Director of GMM Pfaudler since June, 2015 and has been an Executive Director of the Company since 2007. Previously, Tarak served as Vice President, Sales and Manager of Corporate Development. Prior to joining GMM Pfaudler, Tarak worked with Universal Consulting, a leading Strategy Management Consulting and Growth Strategy Consulting Company based in Mumbai, India. Tarak has a BA in Economics from the University of Rochester, USA and an MBA degree jointly conferred by Columbia Business School, London Business School and University of Hong Kong (HKU) Business School.

Mr. Thomas Kehl
Chief Executive Officer [International Business]

Mr. Thomas Kehl has been the Chief Executive Officer for the International Business of GMM Pfaudler since Februrary 2021. Previously, he was serving as the Chief Executive Officer of the Pfaudler Group. Prior to joining Pfaudler in 2016, Thomas was the President and CEO of Coperion Group where he was responsible for the Compounding Machines and Service business. His extensive experience in the industry includes holding positions as Managing Director at Rieter Automatic and Senior Vice President of Rieter AG in Switzerland, CEO of Freudenberg Nonwovens and several executive positions within the Hoechst Group and their subsidiaries. His international experience includes five years in various management positions in the USA.

Thomas holds a degree in Marketing and General Management from The University for Applied Sciences Mainz.

Mr. Aseem Joshi
Chief Executive Officer [India Business]

Mr. Aseem Joshi has been Chief Executive Officer for the India business of GMM Pfaudler since November, 2021. He has about 24 years of rich experience in technology, consulting, strategy, sales and manufacturing. Prior to joining GMM Pfaudler, Aseem worked at Honeywell where he led various businesses in India, across sensing, scanning and building industries. Aseem started his career with IBM in the United States, setting up a cutting-edge semiconductor fabrication plant and working on bringing innovative new chips to the market. As a consultant with McKinsey in the US, he worked across industries driving M&A, sales strategies and operation improvements. In 2010, he moved to India with Eaton Fluid Power, working on their growth strategy and then operationalized it as the Sales and Marketing Leader. Most recently at Honeywell, he successfully setup a new smart city focused global business, with teams in India, Middle East and the US.

Aseem has an MBA from INSEAD, France, MS in Industrial and Systems Engineering from the Virginia Tech University, USA and a BE in Mechanical Engineering from the University of Pune.

Mr. Alexander Pömpner
Chief Financial Officer [International Business]

Mr. Alexander Pömpner has been the Chief Financial Officer for the International Business of GMM Pfaudler since February, 2021. Previously, he was serving as the CFO of the Pfaudler Group since June 2020.

Alexander has about 24 years of experience in various Finance / M&A roles in Private Equity portfolio companies. He was previously the Chief Financial Officer for the Vision Ophthalmology Group, an international distributor in the Ophthalmology industry. Prior to that, Mr. Pömpner spent three years as CFO of the BBI Group, a global manufacturer of raw materials and lateral flow test for the diagnostic and healthcare industry, based in Cardiff, Wales / United Kingdom. Earlier he held various roles in Europe and Asia with the Chemical Distributor Azelis and the industrial packaging manufacturer Mauser.

Alexander holds an MBA degree from the University in Cologne, Germany and a Chartered Financial Analyst (CFA) qualification.

Mr. Manish Poddar
Chief Financial Officer [India Business]

Mr. Manish Poddar has been the Chief Financial Officer for the India Business of GMM Pfaudler since January 2021.

He has 23 years of rich experience across B2B and B2C space with Global and Indian MNCs. Prior to joining GMM Pfaudler, he was with Diversey India, wholly owned by global PE firm Bain Capital, as Regional Controller of South APAC. Before this he worked at Sun Pharma (Ranbaxy) and Louis Dreyfus, India.

Manish is a qualified Chartered Accountant and B.Com from Delhi University. His other education qualifications include an Executive MBA, IFRS, Treasury & Forex Management and Information Systems Audit.

GMM Pfaudler

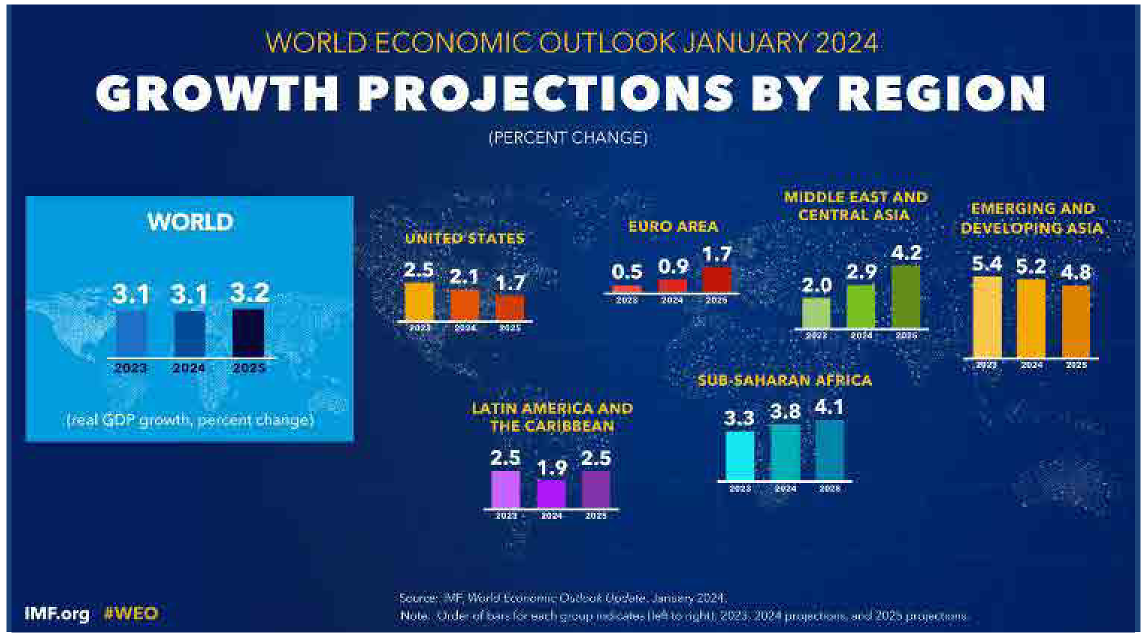
Management Discussion & Analysis FY24

A. Global Economy

The global economy has shown strong resilience to the geopolitical shocks of the last year driven by strong macroeconomic fundamentals in most of the developed and emerging market economies. The United States successfully navigated recessionary pressures, while Europe exhibited economic resilience surpassing earlier projections. China faced significant challenges in regaining its economic momentum. Although inflation remains above target in many countries, it continues to soften in all the major economies. Asia presents a more nuanced picture, with inflation not rising as steeply as in the west and receding more rapidly. As a result, interest rates have not risen as much. Global Inflation is expected to decrease faster than anticipated, reaching 5.8% in 2024 and 4.4% in 2025, led by easing supply-side issues and stringent monetary policies.[1]

The recovery in global economic growth is facing challenges due to multiple crises, including high debt levels, energy crisis and geopolitical tensions. The Red Sea crisis has disrupted global trade routes, leading to increased transit times, shipping costs, insurance premiums, etc.[2]

As per the International Monetary Fund (IMF), global economy is projected to grow at 3.1% and 3.2% for 2024 and 2025 respectively. This uptick in growth is attributed to the resilience of the United States and certain emerging markets, along with expected fiscal support in China. However, this growth remains below the historical average, primarily due to elevated central bank policy rates combating inflation, reduced fiscal support, and sluggish productivity growth.[1]



[1]https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024
[2]https://en.vietnamplus.vn/top-10-defining-events-of-global-economy-in-2023/275388.vnp

B. Indian Economy

The Indian economy has demonstrated remarkable resilience despite uncertainties stemming from adverse geopolitical developments and the implementation of expansionary fiscal measures during the COVID-19 pandemic.

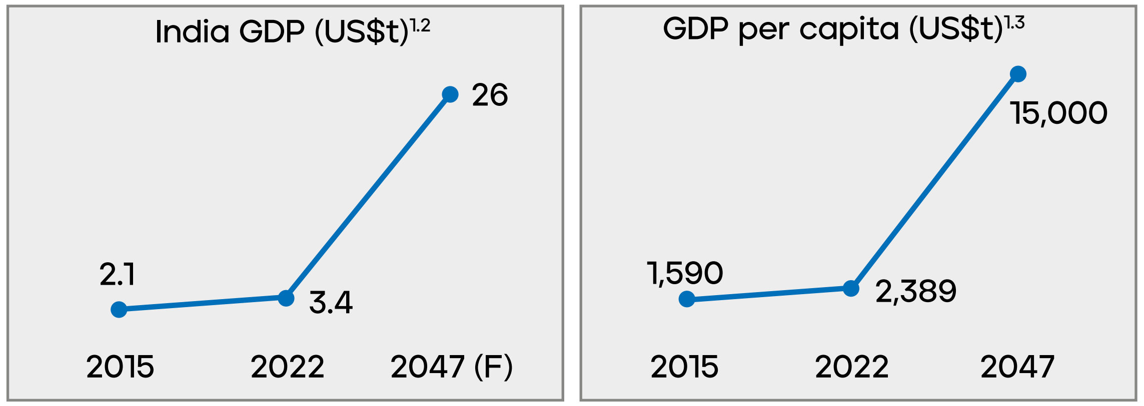
Robust domestic demand, propelled by both private consumption and public investment, coupled with the government's sustained emphasis on infrastructure spending, has emerged as the primary engine of growth in FY24. India maintains its position as the world's fastest-growing major economy and is poised to ascend to the rank of the third-largest economy by 2027 in terms of USD valuation. Projections indicate that India's contribution to global economic expansion will increase by 200 basis points over the next five years.

The IMF forecasts India's GDP to grow at 6.8% in 2024 and 6.5% in 2025, driven by robust domestic demand and government spending. Economic fundamentals are improving, with receding inflation, expanding financial ecosystem, prudent fiscal management, and increasing foreign reserves.

Capital expenditure in the past 4 years has gone up by 3x which has resulted in a huge multiplier effect on economic growth and employment generation. Make in India programme supported by government policies and initiatives has boosted growth in manufacturing sector while the services sector is adopting new technologies and techniques for global competitiveness.

Government and RBI's timely interventions aided India's quick recovery from recent global shocks. Reforms in taxation, banking, and ease of doing business, along with infrastructure investments will boost long-term economic growth potential.

Macroeconomic Factors



[3]https://www.fortuneindia.com/macro/ahead-of-budget-imf-raises-indias-gdp-growth-projection-to-65-for-fy25/115537
[4]https://www.cnbctv18.com/economy/imf-raises-india-growth-world-economic-outlook-18925721.htm
[5]https://www.ibef.org/economy/indian-economy-overview

C. Industry Development

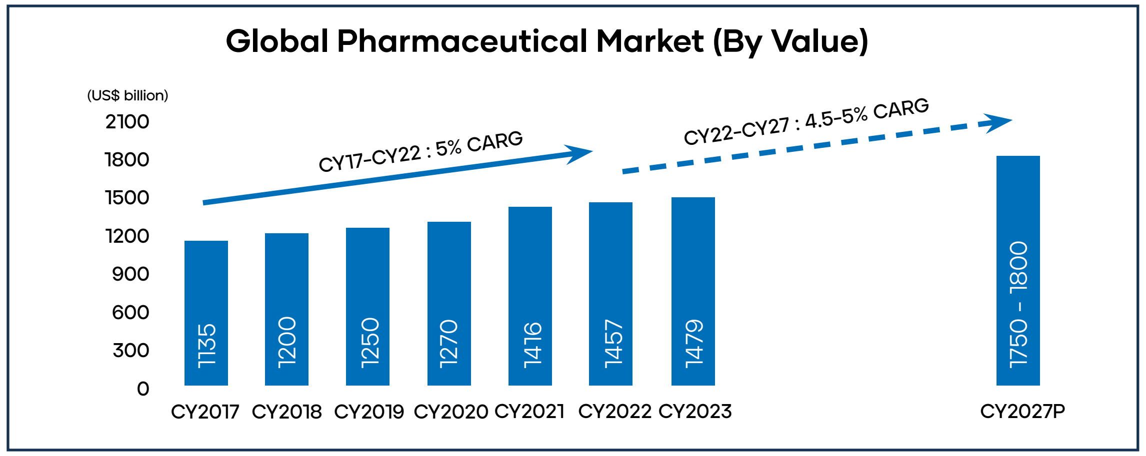
1. Pharmaceuticals Industry

According to findings by Crisil research, the global pharmaceutical market experienced a 5-year compound annual growth rate (CAGR) of 5%, reaching a value of $1.45 trillion in 2022. Projections suggest that this growth pattern will persist, with an estimated CAGR of 4.5%-5.0% over the next five years, aiming for a market size of $1.8 trillion by 2027.[6]

Healthcare spending in regions around the world are growing following diverging trends, with some more, volume driven while others from adoption of innovation.

Countries in North America, Eastern and Western Europe, Latin America, and Africa & Middle East are expected to increase spending growth by more than 30%, indicating both population-driven volume growth and a shift in the mix of products to more expensive products.[7]

China, the world's second largest country by pharmaceutical spending, will increase volume by 20% in aggregate over five years, while spending will increase 21%, a more modest rate than in the prior years.[7]



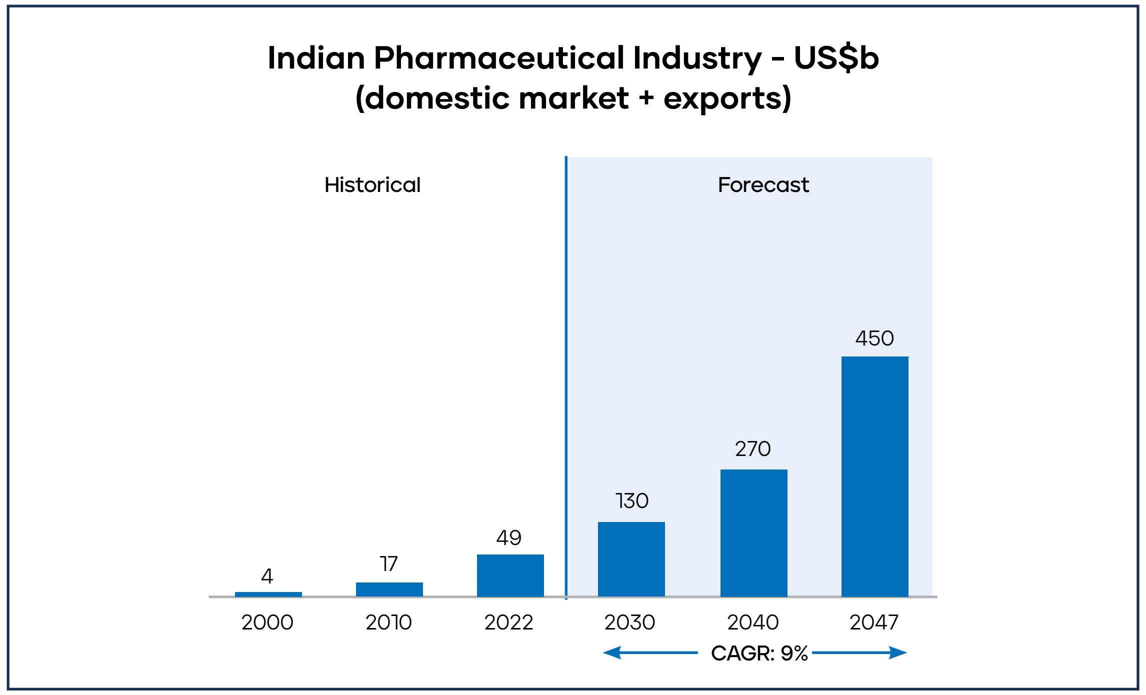
Note : P-Projected

Source : Pharma Company reports, CRISIL MI &A Research

Indian Market: For years, the Indian pharmaceutical industry has been hailed as the 'pharmacy of the world.' Acknowledged for its prominence in the global generics sector, the industry accounts for more than 20% of the global generics supply by volume and meets about 60% of the global demand for vaccines.

India's key strengths i.e., manufacturing prowess, low costs, and skilled workforce – have enabled India to become the pharmacy of the world. According to reports published recently, the Indian pharma industry has the potential and bold ambition of achieving the target of $130 billion by 2030 and $450 billion by 2047.[8]

According to a CRISIL report, Indian pharmaceutical industry is poised to achieve revenue growth of 8-10% in FY24 driven by strong domestic demand and increased exports to regulated markets in the west.



#The above analysis does not include Global Capacity Centers (GCCs) and Contract Research Development and Manufacturing Outsourcing organizations (CRDMOs)

NCEs: New Chemical Entities: NBEs: New Biologics Entities: ADCs: Antibody-drug conjugates: C&GT: Cell & Gene Therapies

Sources: EY analysis Fy FICCI report. India pharma industry 2022. Policy circle

Key Growth Drivers:

- **PLI Scheme:** In FY21, the government announced a ₹15,000 crore PLI scheme to promote the 'Atmanirbhar' narrative in the pharma sector. In September 2023, the government approved ₹4,000 crore PLI scheme for the pharma sector, and ₹25,813 crore has been invested by various companies under this scheme till date.[9]
- **Generic Pharmaceuticals:** Most India-based pharma companies have traditionally focused on research and development (R&D) in generics. India contributes to approximately 20% of the global generics supply by volume and continues to dominate with around 48% of all ANDA approvals, establishing itself as the de-facto leader in the generics space.[10]
- **Geographical Footprint:** Indian pharmaceutical firms are extending their reach and expertise beyond generics, leveraging a robust talent pool and cost advantages. This has positioned India's pharmaceutical sector as one of the rapidly expanding segments in export markets. Notably, India boasts the largest number of US-FDA compliant facilities outside the United States, enhancing its global footprint and presence.[10]

[6] https://www.emcure.com/wp-content/uploads/2024/01/Assessment-of-the-global-and-Indian-Pharmaceuticals-Industry_CRISIL.pdf
[7] https://www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/the-global-use-of-medicines-2024-outlook-to-2028#:~:text=China%2C%20the%20world's%20second%20largest,reimbursement%20drug%20list%20(NRDL)
[8] https://www.business-standard.com/industry/news/indian-pharma-industry-can-grow-to-450-bn-by-2047-ey-oppi-report-123112300971_1.html
[9] https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/will-indias-pharma-sector-be-able-to-come-out-of-its china-dependence/articleshow/108048363.cms?from=mdr
[10] file:///C:/Users/hP/Downloads/ey-re-imagining-pharma-and-healthcare-for-india-100-report.pdf

2. Specialty Chemicals Industry

Between 2024 and 2026, the global chemical market is expected to witness a growth rate of 2.9%. During this period, Asia (excluding China) is forecasted to grow at a CAGR of 3.4%, while China is expected to achieve a growth rate of 4.1%. In comparison, the USA is projected to experience a growth rate of 1.2%, and the European region is anticipated to witness a modest growth rate of 1.0%. [12]

Indian Market: Accounting for 2.5% of global chemical sales, India is one of the largest global markets for Specialty Chemicals which was valued at $641 billion in 2023 and is anticipated to grow at a CAGR of 5.2% over the forecast period, reaching $851 billion by 2030. [11]

In FY25, the Indian chemical market is projected to reach $304 billion, with specialty chemicals accounting for $64 billion. By 2040, the Indian chemical market is expected to grow to $1 trillion, marking more than threefold increase from FY25.[13]

Key Growth Drivers:

- **Rising Endorsements from Global Majors:** Indian chemical industry continued to secure multi-year orders from global companies in 2023. We have seen clear evidence of supply chain shifting away from China, especially from Europe, reflected in ~$1 billion[3] of new order wins for Indian companies this year. More importantly, these orders come from well-established global incumbents (such as Mitsubishi Chemicals, UBE Corporation and Givaudan etc), which we also think reflects India's standing as an emerging and reliable supply partner. [14]
- **Expected Export Growth in FY25:** This year, exports slowed down for many companies after dominating the industry's revenue for six years. Looking ahead, India is likely to keep gaining market share in Europe, especially as Europe faces higher costs and capacity closures. This shift favours India, especially with China exporting less due to domestic economic issues.[14]
- **Green Chemical Growth:** Asia Pacific has enjoyed the largest revenue share of 35% in green chemicals market, driven by increasing awareness for environmental sustainability and government initiatives to promote cleaner alternatives. Key trends include a rising emphasis on bio-based, renewable feedstock, which aligns with the region's commitment to reduce carbon emissions. Additionally, the middle-class population is showing a preference for eco-friendly products, further propelling the demand for green chemicals in various industries, from manufacturing to agriculture. [15]

[11]https://www.grandviewresearch.com/industry-analysis/specialty-chemicals-market
[12]https://report.basf.com/2023/en/combined-managements-report/forecast/economic-environment/chemical-industry.html
[13]https://www.ibef.org/download/1707218033_Chemicals-December-2023.pdf
[14]file:///C:/Users/hP/Downloads/India%20Energy%20&%20Chemicals%20-%20MS%201106%20(2).pdf
[15]https://www.precedenceresearch.com/green-chemicals-market#:~:text=Growth%20Factors,friendly%20alternatives%20to%20traditional%20 chemicals.

3. Agrochemicals Industry

Industry estimates indicate that the global agrochemicals market, valued at around $234 billion in 2023, is projected to grow at a CAGR of 3.1% from 2024 to 2030. This growth will primarily be fuelled by the increasing demand for fertilizers and crop protection solutions across the global agricultural sector. The rise in fertilizer adoption by farmers, aimed at enhancing crop yield by providing essential nutrients, continues to drive the demand for agrochemical products worldwide.[16]

In the upcoming quarters, agrochemical companies are anticipated to encounter challenges such as subdued pricing, rising inventories, and the ongoing influx of generic products from China, which is expected to exert pressure on the market for a significant portion of 2024.

Indian Market: In 2024, the Indian agrochemicals sector is valued at approximately $8.2 billion, projected to expand to $13.1 billion by 2029, boasting a CAGR of 4%.[17]

The industry stands at a pivotal moment, grappling with a worldwide economic downturn, increased competition from China, erratic monsoon patterns impacting crop growth, and worries about El Nino's effect on agriculture. Stakeholders are pushing for innovation, stressing the importance of creating new solutions and strategies to address changing needs in a sustainable manner. The spectre of Chinese dumping poses a significant threat, potentially causing disruptions in local markets. However, despite these obstacles, the industry is positioned for expansion, fuelled by factors like population growth, governmental backing, and advancements in production and storage technologies.[18]

4. Refineries Industry

The global oil refinery market is on the brink of substantial growth, with forecasts indicating a surge from $1.65 trillion in 2022 to $3.75 trillion by 2030. This significant expansion underscores the industry's resilience and its crucial role in meeting the increasing demand for refined petroleum products on a global scale. The driving force behind this growth is the ongoing expansion of downstream infrastructure worldwide, propelled by the rising demand for refined petroleum products.

Many refineries worldwide are aging and in need of upgrades to enhance operational efficiency and ensure compliance with evolving environmental standards. This presents a noteworthy opportunity for market participants to seize. Additionally, the Asia-Pacific region, supported by upcoming major refinery projects in countries like China and India, is positioned to retain its significance in the global oil refining market, further highlighting the industry's potential for growth and innovation.[19]

India Market: In India, the refining industry currently has a capacity of 254 MMTPA and is striving to enhance its refining capabilities, with aspirations to expand its capacity to 450 MMTPA by 2030. This strategic initiative underscores the nation's dedication to meeting the rising demand for petroleum products domestically and potentially establishing itself as a major player in the global refining arena. To accomplish these ambitious goals, continuous investments in infrastructure, technology upgrades, and regulatory frameworks are essential to support this growth trajectory while adapting to changing environmental and market conditions.[20]

[19]https://www.mordorintelligence.com/industry-reports/oil-refining-market
[20]https://www.investindia.gov.in/sector/oil-gas#:~:text=India's%20refining%20capacity%20stands,a%20capacity%20of%2070.1%20MMTPA.

5. Metals, Minerals & Mining Industry

Mining holds a significant historical legacy as one of the world's oldest industries.[21] It is poised to play a crucial role in facilitating the global transition to clean energy, as minerals serve as vital components for renewable energy technologies.

Indian Market: India is anticipated to move towards sustainability with the implementation of aggressive policy reforms aimed at improving the 'ease of doing business' for domestic players. These reforms will also contribute to the country's ambition to achieve self-reliance, thereby reducing import dependency for raw materials and metals essential for the green energy transition.[22] Estimates suggest that India aims to achieve annual sales of one crore electric vehicles (EV) by 2030.[23]

The minerals and metals industry in India is anticipated to undergo significant expansion in the coming years, primarily to cater to the robust domestic demand driven by infrastructure investment and a surge in the real estate sector, while also aiming to decrease reliance on imports.[22]

India has established ambitious objectives, aiming to achieve a total crude steel capacity of 300 million metric tons per annum (MTPA) and total crude steel production of 255 MTPA by the fiscal year 2030-31. Anticipated infrastructure development projects, including the construction of roads, railways, airports, and other initiatives, are expected to drive a surge in steel demand, estimated to rise by approximately 10%[24].

India holds significant positions in various mineral sectors worldwide, ranking as the second-largest producer of aluminium, third-largest producer of lime, and fourth-largest producer of iron ore. The robust growth in iron ore and limestone production mirrors the strong demand conditions in key user industries such as steel and cement. Furthermore, the substantial increase in aluminium production indicates vibrant economic activity across sectors such as energy, infrastructure, construction, automotive, and machinery.[25]

[21] https://www.statista.com/markets/410/topic/954/mining-metals-minerals/#overview
[22] https://www.moneycontrol.com/news/business/minerals-and-metals-accelerated-sustainable-production-will-be-the-theme-for-2024-11955921.html
[23] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1968137#:~:text=EV%2DReady%20India%20dashboard%20forecasts,EVs%20in%20India%20by%202030
[24] https://pib.gov.in/PressReleasePage.aspx?PRID=1930585#:~:text=National%20Steel%20Policy%202017%20(NSP%202017)&text=He%20mentioned%20that%20India%20has,255%20MTPA%20by%202030%2D31.
[25] https://www.industrialpunch.com/mining-sector-sees-record-production-in-fy24/#:~:text=India%20is%20the%202nd%20largest,steel%20and%20cement

6. Other Industry Segments

Some of the other industries that the company caters to are paints and fertilizers.

Paints Industry: The global paints and coatings market was estimated at $177.4 billion in 2023 and is projected grow at a CAGR of 4.7% to reach $269 billion by 2032. The growth will be driven by rising global urbanization and industrialization, particularly in emerging economies, growth traction in the construction and automotive industries, growth in the global furniture market, and diversification of oil and other industries in the Middle East.[26]

Asia-Pacific dominated the market across the world, with China, India and Japan being the largest consuming countries.[27]

Fertilizer Industry: The Indian market for fertilizers reached a value of $41.2 billion in 2023 and is projected to grow at a CAGR of 6.1% to reach $70.2 billion by 2032 [28]. India holds the third position globally in overall fertilizer production, ranking second in nitrogen fertilizers and third in phosphate fertilizers[29]. In the upcoming financial year, the Finance Ministry has allocated ₹1.64 lakh crore for fertilizer subsidy, marking a 13% decrease from the revised estimate for FY24. This reduction is attributed to declining international prices, government initiatives promoting the use of bio and organic fertilizers, and the increasing adoption of nano urea.[30]. Fertilizer subsidies constitute approximately one-ninth of India's total budget expenditure.[31]

[26] https://www.globenewswire.com/news-release/2024/04/10/2860527/28124/en/Global-Paints-and-Coatings-Market-Analysis-and-Outlook-2024-2032-A-269-Billion-Opportunity-with-Lucrative-Regional-Insights-by-Product-Material-and-Application.html
[27] https://www.mordorintelligence.com/industry-reports/paints-and-coatings-market
[28] https://www.custommarketinsights.com/report/india-fertilizer-market/#:~:text=India%20Fertilizer%20Market%20was%20valued,for%20their%20growth%20and%20development
[29] https://timesofagriculture.in/top-fertilizer-companies-in-india/#:~:text=India%20ranks%20third%20place%20in,market%20capitalization%20is%20from%20fertilizers
[30] https://www.moneycontrol.com/news/business/budget/budget-2024-25-lowers-fertiliser-subsidy-allocation-by-13-to-rs-1-64-crore-12119921.html
[31] https://economictimes.indiatimes.com/industry/indl-goods/svs/chem-/-fertilisers/govt-allocates-rs-1-64-lk-cr-towards-fertiliser-subsidy-for-fy25-13-lower-yoy/articleshow/107321329.cms?from=mdr

D. Company Overview

GMM Pfaudler is the leading technologies, systems and services provider for the chemical and pharmaceutical industries, as well as many others.

We design, manufacture, install and service corrosion-resistant equipment and complete chemical process systems, according to the requirements of our customers.

With the integration of the Group's technologies into complete process solutions for a myriad of applications - such as reaction, evaporation, acid recovery, distillation, filtration and drying, amongst many others - the global team of process engineers and project managers provide turnkey designed and built systems.

The exceptional portfolio of systems and technologies requires global support for installation, maintenance and optimization. To better serve the Group's clients, we provide extensive worldwide services with the largest field service organization in the industry.

GMM Pfaudler is driven by 2000+ individuals across 4 continents and 20 global manufacturing facilities around the world.

With the growing shift towards conducting business responsibly, GMM Pfaudler has integrated an ESG-led approach to generate holistic value for all its stakeholders The Company has taken concerted efforts in the areas of environment conservation, social well-being, and ensuring sound corporate governance in the organization. To this end, GMM Pfaudler has undertaken various mindful initiatives during the reporting year, the details of which have been covered in the ESG section.

Following are the Key Strategic and Financial Highlights for FY24:

1. Key Strategic Highlights

- Acquisition completed for MixPro, Canada in December 2023. This strategic move strengthens our industrial Mixing business and reinforces our commitment to delivering superior products and services that will help our customers improve process efficiencies.
- DBAG Fund VI has completed the sale of its stake in the company, concluding an 8-year partnership. ChrysCapital has acquired 9.9% stake, while the Patel family has purchased 1%
- Profitability improvement in the International business driven by strong execution, pricing improvements and lower costs (raw material and energy).
- Partnered with Altilium to integrate their sustainable DNi™ method for mining cobalt and nickel with our advanced corrosion-resistant equipment.
- New Edlon site opened in Coatesville, Pennsylvania to perfect the development and production of ultra-high purity equipment.
- Ratings outlook upgraded by CRISIL to 'Positive'. Credit Rating is now AA-/A1+/Positive.
- GMM Pfaudler India received the 'Rising Star' and 'Best Company in Engineering' award at Fortune India's Next 500 event, securing an impressive rank of twenty-six.

2. Financial Performance

GMM Pfaudler maintained its growth momentum during FY24 despite the global geopolitical uncertainties and slowdown in the Pharma & Chemical sector.

The Company continued to remain committed to enhancing shareholder value, reflected in its increasing market capitalisation of over 16 times in the last six years. GMM Pfaudler is one of the top 1000 listed companies in terms of market capitalisation (its rank on The BSE Limited (BSE) was 624 while on the National Stock Exchange of India Limited (NSE) was 619). In FY24, GMM Pfaudler recorded standalone revenues of ₹1,031 crore, down 4% from the previous year's ₹1,075 crore and consolidated revenues of ₹3,446 crore, up 8% from the previous year's ₹3,178 crore. Standalone Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is down at ₹139 crore as compared to ₹171 crore in FY23 and consolidated EBITDA increased 11% to ₹477 crore as compared to ₹429 crore (before exceptional item).

Profit Before Tax (PBT) reduced by 47% to ₹70 crore as compared to ₹131 crore in FY23 on a standalone basis and reduced by 6% to ₹255 crore compared to ₹271 crore (before exceptional item) in FY23 on a consolidated basis.

The Company continued to strengthen its internal systems and processes to improve efficiencies and minimise costs. In the current year, the Company has been able to reap the benefits from these efforts and will continue to do so in the coming years as well.

The year FY25 started with a strong order book and with the resurgence in the Pharma & Chemical sectors, the Management remains confident that GMM Pfaudler will continue to dominate the corrosion-resistant technologies, systems, and services space.

E. Key Financial Ratios

Details of change of 25% or more in the key financial ratios in comparison to the previous financial year along with explanation thereof are as under. :

Sr. No.	Particulars	Consolidated		
		FY24	FY23*	% Change
1.	Debtors Days	46	45	2%
2.	Inventory Days	74	83	-11%
3.	Interest Coverage Ratio	5.0	6.4	-22%
4.	Current Ratio	1.61	1.49	8%
5.	Debt Equity Ratio	0.93	1.20	-23%
6.	Operating Profit Margin (%)	13.83%	13.51%	2%
7.	Net Profit Margin (%)	5.05%	6.62%	-24%
8.	Return on average net worth (%)	19.49%	28.42%	31%
9.	EPS (in ₹)	39.8	36.8	8%

*FY23 numbers have been restated for final fair values of purchase price allocation for Mixel France SAS and Hydro Air Research Italia S.r.l. For further details kindly refer 'Note 45: Business Combination'

Notes:

Return on average net worth (%): Return on average net worth decreased primarily due to lower profit after tax and increase in total net worth in FY24 as compared to FY23.

Definitions:

1) **Debtor Turnover:** Average of trade receivables (current year and previous year) by revenue from operations for the year.

2) **Inventor Turnover:** Average inventory (current year and previous year) by revenue from operations for the year.

3) **Interest Coverage Ratio:** Total EBITDA before exceptional item by finance cost for the year.

4) **Current Ratio:** Current assets by current liabilities including working capital borrowings.

5) **Debt Equity Ratio:** Total debt including working capital borrowings and lease liabilities by total equity at the end of the year.

6) **Operating Profit Margin:** EBITDA before exceptional item by operating revenue for the year.

7) **Net Profit Margin:** Profit after tax for the year by revenue from operation for the year.

8) **Return on average net worth:** Profit after tax for the year by average net worth for the year.

9) **Earnings Per Share (EPS):** Profit for the year by number of equity shares.

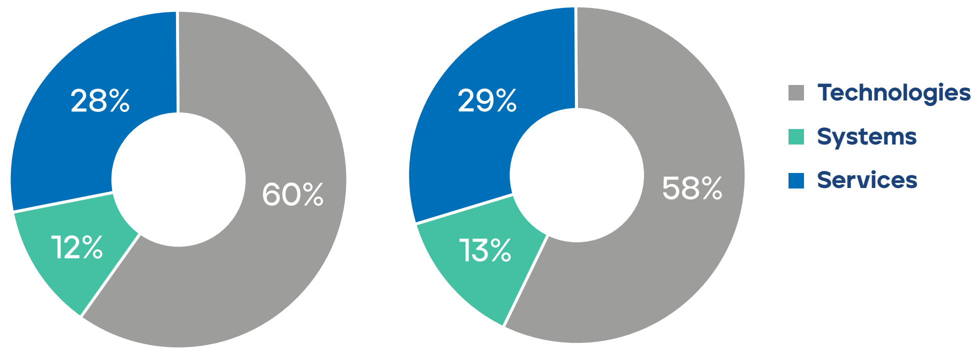
The calculation of above ratios (including restatement of prior year ratios, wherever necessary) is in accordance with formula prescribed by Guidance note on Schedule III issued by the Institute of Chartered Accountants of India.

F. Business Segments & Operational Highlights

1. Business Overview

GMM Pfaudler is present across Americas, Europe, and Asia through its offerings in technologies, systems, and services. Through its product portfolio, the company has sustained its business relations with a marquee customer base and continues to strengthen its position as the market leader. GMM Pfaudler is at the forefront of innovation, focused on developing new technologies that will become a benchmark for tomorrow.

FY24 Consolidated Revenue | **FY24 Consolidated Order Intake**



Technologies:

Since the very beginning, GMM Pfaudler has continually revolutionised the industry to meet its clients' highly specific, ever-changing chemical processing needs. Year after year, with proven reliability, we have designed and manufactured the technologies required to create chemicals that are sought after worldwide.

Our Group boasts over a century-long expertise in the use of many types of corrosion-resistant materials, like glass-lined, borosilicate glass 3.3, fluoropolymers, high nickel alloys, zirconium, and tantalum, just to name a few.

By leveraging our vast portfolio and truly global operational footprint, GMM Pfaudler can serve its clients with single source solutions for all their most complex needs.

The Technologies business accounted for a revenue of ₹2,057 crore with an order intake of ₹1,762 crore in FY24.

Glass-Lined Technologies

Pfaudler has been at the forefront of developing new technologies to meet the highly specialized chemical processing needs of its clients for more than a century. One of the primary reasons why Pfaudler's glass-lined equipment is trusted by over 90% of the world's top chemical companies is due to its exceptional reliability in reaction technologies and the comprehensiveness of its glass-lined accessories. These advanced technologies are crucial for the safe containment of corrosive contents, maintaining vessel pressure, and ensuring the final batch quality.

Business Highlights:

- Operational excellence projects completed in Waghausel, Germany and Li Yang, China plants leading to throughput improvement.
- Market share gained in Spain, Italy, Slovenia & Eastern Europe through our sourcing program from India.
- Quality improvement programme implemented in India.
- Spend analysis and optimization by developing alternate vendors, achieved price consistency across plants in India.

Non Glass-Lined Technologies:

GMM Pfaudler's non glass-lined technologies that include Mavag (Filtration & Drying), Mixion, Mixel and Mixpro (Mixing Technology), Interseal (Sealing Technology), Equilloy (Alloy Process Equipment), Edlon (Fluoropolymers) and Normag (Lab & Process Glass) showcase our strength as a group, our capabilities, and our constant pursuit of innovation. The objective has always been to diversify from our core business by entering adjacent industries to sustain growth and capture customer wallet share through portfolio expansion. With our non glass-lined technologies, we leverage the full breadth of our capabilities to provide our customers an end to end solution.

The focus remains on strengthening the non-glass-lined portfolio to create a basket of brands that are complementary in nature and can increase customer spend in the core industries that we serve.

Business Highlights:

- Mixion orders on track, expanding to new application areas such as PET recycling, gold processing and gas fermentation.
- Equilloy funnel remains strong; breakthrough order in biorefinery application (SS and exotic vessels).
- Two new products developed in India: Vertical Conical Filter Dryer (VCFD) and Continuous Pressure Filter (CPF).
- Cross-selling of multiple products to customers in US, Europe and Asia resulting in increased customer spend.

Systems:

GMM Pfaudler's capabilities are not limited to the individual technologies themselves. Utilizing vast chemical processing expertise, our skilled engineers combine technologies and services into complete, fully integrated, and efficiently operating process systems.

GMM Pfaudler supplies turnkey systems from lab through full industrial scale plants, for all chemical processes. Our expertise allows us to design process systems with Pfaudler technologies meeting the complex requirements of reaction, evaporation, distillation, acid recovery, absorption, filtration, and drying processes. A complete system includes the design of all the unit operations surrounding and supporting the core technology. Systems are designed specifically for each client's process. Each system layout is custom designed to ensure proper system functionality and to ensure all equipment, instruments and valves are arranged for ease of operation and maintenance. Our technicians assist with field installation and our engineers work with our client's team to commission the system.

As a single-source provider, we ensure that the design of every component is perfectly integrated into the system for optimum performance. Our skilled engineering and manufacturing ensure high quality while our project management expertise provides for fast-track schedules and reduced costs. Our focus is to provide our customers with innovative solutions and comprehensive service offerings across the world.

The Systems business accounted for a revenue of ₹418 crore with an order intake of ₹379 crore in FY24.

Business Highlights:

- Large order win for an acid recovery plant in Korea, the biggest of its kind globally.
- Agreement with Bhabha Atomic Research Centre (BARC) for technology transfer of desalination technology.
- Big order win for cardanol extraction skid systems in India
- Focus on specialty chemicals for WFEs starting to pay dividends – strong opportunities with multiple customers.
- Final commissioning of first acid recovery project in India.

Services:

Not only do the world's top chemical companies trust on GMM Pfaudler's Technologies and Systems to manufacture their products, but they also rely on our engineering, technical services, and aftermarket parts to keep their plants operating efficiently.

We provide parts and maintenance services for our technologies to our global network of customers throughout their plants, as well as the same services for those of others.

However, our services also extend far beyond that of standard maintenance. Every project is unique, and our highly experienced team of engineers and technicians will work together with you to deliver the most effective and complete process solution, from conception to design and installation.

The Services business accounted for a revenue of ₹971 crore with an order intake of ₹873 crore in FY24.

Business Highlights:

- New service centers opened in Taubaté, Brazil and Venice, Italy.
- Large fermentation agitators installed for 3 major customers in India.
- Strengthening of services team through key personnel hires which would help expand presence in India.

2. Operational Highlights

- New welding qualification and training centre opened at our manufacturing facility in Vatva, India, designed to enhance the skills of our welders.
- Operational excellence projects in Switzerland and Karamsad continue.
- Operational excellence projects and cost reduction measures continue across geographies.

G. Innovation and Technology

- GMM Pfaudler's high efficiency gas induction impeller, HEGI has been granted a patent by the Government of India's patent office, recognizing its ability to significantly improve gas hold up and mass transfer as compared to commercially available impellers.
- Developed and launched new Drying technology for Chemical Industry which significantly reduces drying time and costs.
- Hydro Air built a mobile "pilot-in-a-container" unit to enhance latex process production, supporting INEOS Inovyn's sustainable E-PVC production for high-end applications in automotive and energy sectors.

Vertical Conical Dryer

H. Opportunities and Threats

Opportunities:

- The government's focused thrust on positioning India as a global sourcing hub, a reliable alternative to China, on becoming self-reliant, coupled with its efforts in moving up the Global Ease of Business ranking is expected to attract investments into India. These efforts should open interesting growth opportunities for GMM Pfaudler.
- The company remains focused on innovation to drive growth. The primary growth engine for the chemical and pharmaceutical sectors over the next ten years will be the shift in production from China, Europe, and the USA to India. Russia-Ukraine war, higher labour costs in China and the developed world, stricter pollution norms in China, and the Indian government's support to chemicals and pharmaceutical industries through the PLI scheme and Pharma city are the key facilitators of this trend.
- The company's recent acquisitions have expanded our reach into the Non-Glass Lined business, offering a range of new industries and applications, especially for our mixing systems business. These acquisitions, combined with our existing capabilities, position us for global growth.
- The allocation of the Production Linked Incentive (PLI) scheme continues, with notable increases in active pharmaceutical ingredients (APIs) and semiconductor and display manufacturing ecosystem.
- GMM Pfaudler is currently working on green and ESG-friendly glass lined equipment materials. Some of the heavy metals which were part of the old formula are now being replaced with greener materials. The company also has technologies to cater to bioplastic, bio proteins and mock meat industries. The rapidly growing EV space is also an area of growth opportunity that the company is exploring.

https://pib.gov.in/PressReleasePage.aspx?PRID=1691185
https://www.theindustryoutlook.com/machinery-and-equipment/vendor/gmm-pfaudler-offering-worldclass-glass-lined-equipment-cid-1474.html
https://www.timesnownews.com/business-economy/companies/gmm-pfaudler-bullish-on-its-future-growth-prospects-article-94066650#:~:text=GMM%20Pfaudler%20in%20its%20analyst,24%25%20to%20Rs%20630%20Cr.

Threats:

- GMM Pfaudler's business is dependent on the performance of their end user industries like pharmaceuticals and chemicals. Poor business outlook in these end industries and a consequent cut in capex may impact business prospects. However, the company is de-risking itself from the traditional pharma and chemical industries and foraying into newer industries with the strategy for non-GLE and systems business to grow via cross-selling opportunities and exploring new application areas.
- Any significant uptick in the prices of commodities can potentially impact margins. Raw material inflation in end user industries, as witnessed post Covid or during the Russia-Ukraine war, can adversely impact the business of clients leading to a deferment of capex, which in turn impacts the company's order book. To mitigate the impact, the company is undertaking cost reduction measures and passing on the price increase to end customers.
- Threat from geopolitical risks may impact the delivery approvals from the government. GMM Pfaudler was not able to ship out a vessel from UK to China, to a European player operating in China owing to government regulations.

I. Risks and Concerns

In today's environment, all businesses encounter risks from strategic, regulatory, alliance, operational, and financial perspectives. GMM Pfaudler's Risk Management policy ensures the organization's sustainable growth by encouraging a proactive approach to evaluating, mitigating, and reporting these risks. This policy establishes a structured and disciplined framework for making decisions related to business risk issues.

Risk Management Framework

The Company's risk management framework has been developed with an objective to enhance value of the Company and to the stakeholders (internal and external) by ensuring Company's business and growth objectives are protected. This framework facilitates decision making, planning and prioritization threats to business activities, fluctuations and balancing risks and opportunities.

Through this framework, Company plans to inculcate a risk aware culture which will ensure that risk management is consistently practiced across the Company and highlight areas of focus for Management to make informed decisions to reduce the threats to the Company's business and growth objectives.

The Company has adopted a comprehensive Enterprise Risk Management approach to identify and manage risks at an enterprise level. The risk methodology adopted is in line with leading Risk Management standard laid down by the Committee of Sponsoring Organizations (COSO).

Risk Management Process

Risk Management Organization Structure

The Risk Management

Committee (RMC) of the Board facilitates implementation of Risk Management Policy and Framework. RMC also apprises the Board about the evolving changes in the risk universe (landscape) and recommends actions to be taken.

The Executive Risk Management Council (ERMC) consistently monitors and records changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports the implementation of the risk mitigation plans to the RMC who in turn reports to the Board of Directors. The ERMC consists of the Managing Director, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer Business (CRO), Enabling Function Heads (HR, IT, other function heads). The CRO works closely with the ERMC and Risk Owners to identify risks and facilitate development of risk mitigation plans.

Risk Identification and Mitigation

Effective risk management begins with comprehensive risk identification and mitigation strategies. By systematically identifying potential risks across various categories such as strategic, operational, financial, and regulatory, organizations can anticipate challenges that may impact their objectives. Once identified, these risks are assessed and prioritized based on their potential impact and likelihood. Mitigation strategies are then developed and implemented to reduce the risks to an acceptable level. This proactive approach ensures that organizations are better prepared to handle uncertainties, thereby safeguarding their assets and promoting long-term stability and growth.

In line with the same, some of the major risks identified by the company, and its mitigation plans, are given below:

Risk Item	Mitigation measures
Acquisition synergies	The Company has acquired complete stake in Pfaudler International which has various plants across the globe. The Company has further acquired Hydro Air Research Italia S.r.l., GMM Pfaudler JDS LLC, Mixel and MixPro to enhance the Company's product portfolio and strengthen its process know-how & simulation/ testing capabilities. Committed to maintaining its position as a leading provider of corrosion-resistant technologies, systems, and services, the Company is making significant strides in value sourcing, operational excellence, portfolio expansion and branding & communication. Additionally, the Company has established a global Mixing technology platform that caters to diverse industry segments.
Geopolitical Risk	The financial and operational stability of the Company can be threatened by increased volatility and uncertainties resulting from war and political upheavals. To mitigate these risks, the management team regularly reviews geopolitical risks and devises plans to minimize their impact on the business.
Human capital	The Company recognizes that effective human capital management is crucial for achieving its strategic and operational goals. Key elements of human capital include attracting, retaining, and engaging talent, as well as maintaining strong employee relations, all of which are crucial for business success. With a view to align and retain employees, the Company has an Employee Stock Option Plan (ESOP) in place which serves as a long-term incentive for its global workforce. The "NEEV" training calendar, featuring specialized training on business products from subject matter experts, has added significant value. A blend of functional and behavioural training programs, aligned with the Company's "DNA for Success," has been successfully implemented. Leadership development also remains a key focus, with coaching sessions provided for critical employees. With the introduction of an enhanced reward and recognition system, a culture of prompt acknowledgment and collective celebration has become a welcome practice within the organization. The Company has also implemented a systematic succession planning process to build and strengthen its talent pipeline.

Risk Item	Mitigation measures
Digitalization and Innovation	Digitization has become an essential aspect of any business organization. The company has created a comprehensive digitization roadmap encompassing both operations and support functions. By leveraging technology, the company aims to generate insights for faster and more effective decision-making, as well as to develop technology-driven products and value-added services. One notable initiative is the in-house development of a one-touch QR Code mobile application, which provides customers with quick and easy access to essential documents related to Glass-Lined products.
Intellectual property	Loss of proprietary designs/infringement of intellectual property may lead to loss of revenue, market share and will adversely impact demand of GMM products. The Company has strengthened its documentation and created an operational framework to respond to cases of potential infringements.
IT Security	The company has well-institutionalised information security management system based on internationally recognised standards and best practices and is continually improving its cybersecurity posture to safeguard from the emerging cyber threats to its business. Regular updating of online infrastructures is being undertaken. Adequate firewalls and disaster recovery systems has been set. Further, Company is further implementing Security information event management for entire IT Ecosystem
Supply Chain disruption	Significant process changes and digital initiatives were adopted in the supply chain front to reduce process time and to improve price discovery. Detailed vendor analysis is being conducted to identify high-risk vendors. Company plans to further de-risk by onboarding alternate vendors for all critical items.
Regulatory Risks	The Company monitors proposed regulatory changes and maintains a well-structured and documented compliance framework, which enables management to monitor and report on compliance risks and exposures to the Board. The Board conducts periodic reviews of compliance reports covering all applicable laws.

J. Human Resources

Keeping up with the organization's rapid pace of growth, HR continues to evolve itself as a strategic business partner. Keeping future in mind, we have prioritized the talent imperatives that supplement our growth journey. In the last year, we saw our talent and learning strategies focusing on continuous learning and personalized development. These initiatives have kept our organization aligned to our mission and help us navigate through the VUCA world.

NEEV, our structured training calendar, features specialized sessions led by industry experts, masterclasses curated by internal subject-matter experts, playing a crucial role in enhancing our teams skills and knowledge in a targeted manner. Additionally, we have focused on improving essential business skills through a series of functional programs aimed at strengthening our capabilities in various areas, including sales, finance, and product training. Talent League, our program for key talent, will adopt a blended learning approach, incorporating elements like coaching, action learning projects, and more with the aim of strengthening the succession management process while offering our key talent experiential learning opportunities.

Our competency framework, the DNA for success, continues to be the anchor that drives our behavioural initiatives. These behaviours, being central to our company culture, required us to sensitize them among all our employees. We have transitioned from traditional classroom led learning to a more application-based learning culture. This shift not only enables our employees to exhibit success behaviours, but also encourages them to recognize and reward these behaviours through iAppreciate, our employee recognition program.

The insights gained from our annual employee engagement survey, Parivartan, remain an essential tool for listening to our workforce. This crucial input influences the design and development of our HR initiatives in line with the business requirement.

This year, we have trodden on the path towards strengthening Diversity, Equity, and Inclusion (DEI) agenda. Our inaugural DEI workshop marked an important step in our commitment to fostering an inclusive workplace culture. DEI is not just a business imperative but also a moral commitment.

Moreover, our harmonious relationship with the Union is a testament to our unwavering commitment to fair labour practices and collaborative engagement.

K. Internal Control Systems and their Adequacy

At GMM Pfaudler, Internal Controls are a key pillar of Corporate Governance. The Company has an internal control mechanism, which is commensurate with the nature, size, and complexity of the business, both at entity and process levels. The system assures integrated, objective, and reliable financial information.

The preparation of Company's Financial Statements is based on the Significant Accounting Policies selected by the Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time.

The Company uses LN ERP System as a business enabler and maintain its Books of Account. The transactional controls built into the LN ERP systems ensure appropriate segregation of duties, an appropriate level of approval mechanisms and maintenance of supporting records.

The Information Management Policy reinforces the control environment. The Company has a well institutionalised information security management system and uses robust IT tools for minimising errors and lapses, identifying exceptional trends through data analysis and tracking crucial compliances.

The Company has advanced solutions which automate threat detection and response against an ever-growing variety of threats, including ransomware. The Company has introduced XDR (extended detection and response) in place which collects and automatically correlates data across multiple security layers - email, endpoint, server, cloud workload and network.

The Company has done various assessments including Vulnerability & Red Team Assessment and Penetration Testing to further strengthen the IT infrastructure. As part of increasing the security posture and security architecture, a complete GAP assessment has been initiated on the Company's cyber security and data privacy practices to identify areas of high risk to the Company's business and determine interventions.

The Company has also implemented a Data Loss Prevention ("DLP") solution as part of its information security strategy, which has significantly improved the Company's ability to protect sensitive data and prevent data breaches.

Suggestions, recommendations, implementation status and significant internal audit observations are placed before the Management and the Audit Committee on a periodic basis. The Management undertakes a periodic review and ensures appropriate actions. The Audit Committee periodically reviews the adequacy of the internal control systems and provides direction and guidance, including external benchmarking of best practices for further action, if any. Internal auditors conduct a quarterly follow up for implementation/ remediation of all audit committee recommendations and the status report is presented to the audit committee regularly.

In accordance with the requirements of Section 143(3)(i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

GMM PFAUDLER LIMITED
CIN: L29199GJ1962PLC001171
Registered Office & Works: Vithal Udyognagar, Anand - Sojitra Road, Karamsad - 388325
Email: investorservices@gmmpfaudler.com; **Website:** www.gmmpfaudler.com
Tel: +91 2692 661700/ 230416/ 230516

Notice

NOTICE is hereby given that the Sixty First Annual General Meeting of the Members of GMM Pfaudler Limited ("the Company") will be held on **Friday, August 9, 2024 at 12:00 noon (IST)** through video-conferencing ("VC") / other audio-visual means ("OVAM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2024 (including Consolidated Financial Statements) together with the reports of the Board of Directors and auditors thereon; and if considered and thought fit, to pass the following resolutions, with or without modification(s), as **Ordinary Resolutions:**

   (a) **"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, comprising of Audited Balance Sheet as at March 31, 2024, the Statement of Profit & Loss and Cash Flow for the financial year from April 1, 2023 to March 31, 2024 including its Schedules and the Notes attached thereto and forming part thereof, and the reports of the Board of Directors and the Statutory Auditors thereon be and are hereby received, and adopted."

   (b) **"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, comprising of Audited Consolidated Balance Sheet as at March 31, 2024, the Statement of Consolidated Profit & Loss and Cash Flow for the financial year from April 1, 2023 to March 31, 2024 including its Schedules and the Notes attached thereto and forming part thereof and the report of the Statutory Auditors thereon be and are hereby received, and adopted."

2. To confirm the declaration and payment of one interim dividend paid during the financial year ended March 31, 2024 and to declare final dividend for the financial year ended March 31, 2024 and if considered and thought fit, to pass the following resolutions, with or without modification(s), as **Ordinary Resolutions:**

   (a) **"RESOLVED THAT** the payment of interim dividend of ₹1.00/- (Rupee One only) per equity share paid on 4,49,57,224 Equity Shares, aggregating to ₹4,49,57,224 (Rupees Four Crores Forty-Nine Lakhs Fifty-Seven Thousand Two Hundred and Twenty-Four only), declared and paid for the financial year 2023-24, to the Shareholders, whose names have appeared in the Register of Members as on November 20, 2023 be and is hereby confirmed."

   (b) **"RESOLVED THAT** final dividend for the financial year ended March 31, 2024 of ₹1.00 (Rupee One only) per equity share on 4,49,57,224 equity shares aggregating to ₹4,49,57,224 (Rupees Four Crores Forty-Nine Lakhs Fifty-Seven Thousand Two Hundred and Twenty-Four only) to the Shareholders whose names appear in the Register of Members as at the end of business hours on August 2, 2024 (Record Date) be and is hereby approved."

3. To appoint a Director in place of Mr. Ashok Patel, (DIN 00165858) who retires by rotation and being eligible, offers himself for re-appointment and in this regard, if considered and thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. Ashok Patel, (DIN 00165858), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company."

SPECIAL BUSINESS:

4. To ratify the payment of remuneration to the Cost Auditors viz. M/s. Dalwadi & Associates, Cost Accountants, of the Company for the financial year ended March 31, 2024 and if consider and thought fit, to pass the following resolution, with or without modification(s), as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), the payment of remuneration to M/s. Dalwadi & Associates, Cost Accountants, (Firm Registration No. 000338) of ₹1,82,000/- (Rupees One Lakh Eighty Two Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses, as approved by the Board of Directors of the Company, for conducting cost audit of the Company for the financial year 2024-25, be and is hereby approved and ratified.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. To approve the borrowings by the Company in excess of the limits prescribed under Section 180(1)(c) of the Companies Act, 2013 and if considered and thought fit, to pass, the following resolution, with or without modification(s), as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder ("the Act") including any statutory modification(s) / amendment(s) / re-enactment(s) thereof, for the time being in force, and in accordance with the Memorandum of Association & Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum(s) of money (in foreign currency or Indian rupee) from time to time as they may deem requisite for the purpose of the business (including but not limited to, for financing any capital or revenue requirements, new business ventures or prospects) of the Company, with or without security, on such terms and conditions as the Board of Directors of the Company may think fit (subject to compliance with the provisions of the Act), provided that the borrowings intended to be obtained along with the monies already borrowed by the Company (which are outstanding) in aggregate (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time exceed: (A) a maximum of ₹1,300 Crores (Indian Rupees One Thousand and Three Hundred Crores) or (B) the maximum limits so prescribed under Section 180(1)(c) of the Act, whichever is higher and the said limits specified under (A) and (B) would not apply for the matters that are exempted pursuant to the applicable provisions of the Act.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee or any other persons authorized by the Board of Directors), be and are hereby authorized to take such steps as may be necessary including but not limited to obtaining requisite approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, agreements, sanction letters, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

   RESOLVED FURTHER THAT a copy of the above resolution certified by any one of the Directors of the Company or the Company Secretary be submitted with all such authorities or parties as may be required from time to time in order to give effect to the above resolution."

6. To approve the creation of security in respect of an undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013 and if considered and thought fit, to pass, the following resolution, with or without modification(s), as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder ("the Act") including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force, and in accordance with the Memorandum of Association & Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors for mortgaging and/or creating charge of (and the consequent sale or disposal of, as applicable) any or all of the immovable and/or movable properties of the Company, wherever situated, both present and future and/or whole or substantially the whole of the undertaking(s) of the Company to or in favour of any of the public or private financial institutions, investment institutions and their subsidiaries, public sector banks, private sector banks, any other companies or bodies corporate and any other lenders and/or trustees for the holders of debentures/bonds/other instruments including any overseas lenders, banks, financial institutions, to secure the amount borrowed by the Company or subsidiary(ies) of the Company or Joint Venture or Associate Companies from such persons from time to time, for the due re-payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or its subsidiaries, as applicable, in respect of the said borrowings for any business purpose of the Company and its subsidiaries provided that the aggregate indebtedness so secured by the assets of the Company does not at any time exceed the value of limits approved under Section 180(1)(c) of the Act, from time to time and the said limits would not apply for the matters that are exempted pursuant to the provisions of Section 180(1)(c) of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee or any other persons authorized by the Board), be and are hereby authorized to take such steps as may be necessary including but not limited to obtaining requisite approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, agreements, sanction letters, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

RESOLVED FURTHER THAT a copy of the above resolution certified by any one of the Directors of the Company or the Company Secretary be submitted with all such authorities or parties as may be required from time to time in order to give effect to the above resolution."

7. To appoint Ms. Shilpa Divekar Nirula (DIN: 06619353) as an Independent Director of the Company and if considered and thought fit, to pass, the following resolution, with or without modification(s), as a **Special Resolution:**

"RESOLVED THAT pursuant to Section 149, 152 read with Schedule IV and other applicable provisions, if any, Companies (Appointment and Qualification of Directors) Rules, 2014 of the Companies Act, 2013 ("the Act"), Regulations 16(1)(b), 17(1C), 25(2A) and such other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with such rules, guidelines and regulations issued by any other regulatory or governmental authority, as may be relevant (including any statutory amendment, modification or re-enactment thereof, for the time being in force), in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such other consents, approvals, permissions and sanctions as may be necessary and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, consent of the Members of the Company be and is hereby accorded for appointment of Ms. Shilpa Divekar Nirula (DIN: 06619353) in the capacity of Independent Director of the Company for a term of five consecutive years w.e.f. May 22, 2024 up to and including May 21, 2029, and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors of the Company be and are hereby severally authorised to do all deeds, matters, things, acts, and to execute any agreements, documents and writings, as may be deemed necessary, but not limited to making correspondences with any regulatory authority as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee/Director(s)/Key Managerial Personnel/Officer(s) of the Company."

By Order of the Board of Directors
For GMM Pfaudler Limited

Mittal Mehta
Company Secretary
M. No. 7848

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of business to be transacted at the Annual General Meeting (hereinafter referred to as "AGM"), as set out under Item Nos. 3, 4, 5, 6 and 7 above and the relevant details of the Directors seeking appointment/ re-appointment as mentioned under Item Nos. 3 and 7 above as required under Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.

2. The Board of Directors have considered and recommended Item Nos. 4, 5, 6 and 7 as Special Business in the forthcoming AGM for the consideration of shareholders.

3. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 10/2022 and 09/2023 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 5th May, 2022, 28th December, 2022 and 25th September 2023 respectively issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as "MCA Circulars") read with Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 and SEBI/HO/DDHS/P/CIR/2023/0164 dated 12th May, 2020, 15th January, 2021, 13th May, 2022, 5th January, 2023 and 7th October 2023 respectively issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") companies are allowed to hold Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.

4. As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

5. Institutional/ Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send a certified copy (in PDF/ JPEG Format) of the relevant Board Resolution/ Authority letter etc. authorizing its representatives to attend the AGM, by e-mail to js@rathiandassociates.com with a copy marked to the Company at mittal.mehta@gmmpfaudler.com and to its Registrar & Share Transfer Agents ("RTA") at prathamesh.ghugare@linkintime.co.in.

Electronic dispatch of Annual Report and process for registration of e-mail id for obtaining copy of Annual Report

6. In compliance with the provisions of MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 are being sent only through electronic mode to those members whose email addresses are registered with the RTA i.e. Link Intime India Private Limited (hereinafter referred to as "Link Intime"); National Securities Depository Limited ("NSDL") and / or Central Depository Services (India) Limited ("CDSL") (collectively referred to as "Depositories"). Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at www.gmmpfaudler.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of the RTA at www.instavote.linkintime.co.in.

7. Members holding shares in physical mode who have still not registered their email ID with the Company can get their e-mail IDs registered with the Company's Registrar and Share Transfer Agents, Link Intime India Pvt Ltd by using the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html and Members holding shares in dematerialized mode are requested to register/ update their e-mail addresses by contacting their respective Depository Participants.

8. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write to the Company through an email on mittal.mehta@gmmpfaudler.com or investorservices@gmmpfaudler.com.

Procedure for joining the 61st AGM through VC/ OAVM:

9. Link Intime will be providing facility for voting through remote e-Voting, for participation in the 61st AGM through VC/OAVM facility and e-Voting during the 61st AGM.

10. Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first come-first-served basis.

11. Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

    Members will be provided with InstaMeet facility wherein Member shall register their details and attend the Annual General Meeting as under:

    i. Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details:

        a. DP ID/Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company

        b. PAN: Enter your 10 digit Permanent Account Number (PAN)

        c. Mobile No.

        d. Email ID

    ii. Click "Go to Meeting"

12. Members who need assistance before or during the AGM, can contact instameet@linkintime.co.in or call on 022-49186175.

13. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

14. Procedure to raise questions/ seek clarifications with respect to Annual Report at theensuing 61st AGM:

    Members are encouraged to express their views / send their queries in advance mentioning their name demat account number/ folio number, email id, mobile number at mittal.mehta@gmmpfaudler.com. Questions / queries received by the Company till 5:00 p.m. on Monday, August 5, 2024 shall only be considered and responded during the AGM.

15. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

16. Shareholders will receive "speaking serial number" prior to the meeting. Other Shareholders may ask questions through the active chat board during the AGM.

17. Shareholders are requested to speak only when the moderator of the meeting/ management will announce the name and serial number for speaking.

Procedure for remote e-Voting and e-Voting during the AGM

18. All the shareholders of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC/OAVM.

19. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), members are provided with the following alternatives by which they may cast their votes:

    i. Remote e-voting

    In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 relating to e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote only through their demat account maintained with Depositories and Depository Participants.

    The remote e-voting platform is being provided by the Company's Registrar & Share Transfer Agent – Link Intime India Pvt. Ltd. and the e-voting period will commence on **Tuesday, August 6, 2024 at 9:00 a.m. (IST)** and will end on **Thursday, August 8, 2024 at 5:00 p.m. (IST)**.

    The remote e-Voting module will be disabled by Link Intime for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

    Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	**Users who have registered for NSDL IDeAS facility:** a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login". b) Enter user id and password. Post successful authentication, click on "Access to e-voting". c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **User who have not registered for NSDL IDeAS facility:** a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp b) Proceed with updating the required fields. c) Post registration, user will be provided with Login ID and password. d) After successful login, click on "Access to e-voting". e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **By directly visiting the e-voting website of NSDL:** a) Visit URL: https://www.evoting.nsdl.com/ b) Click on the "Login" tab available under 'Shareholder/Member' section. c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting". e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders holding securities in Demat mode with CDSL	**Users who have registered for CDSL Easi/Easiest facility.** • VisitURL:https://web.cdslindia.com/myeasitoken/home/loginorwww.cdslindia.com. • Click on New System Myeasi • Login with user id and password • After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period. • Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period. **Users who have not registered for CDSL Easi/Easiest facility.** • To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration • Proceed with updating the required fields. • Post registration, user will be provided Login ID and password. • After successful login, user able to see e-voting menu. • Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

	By directly visiting the e-voting website of CDSL. a) Visit URL: https://www.cdslindia.com/ b) Go to e-voting tab. c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit". d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders (holding securities in Demat mode) & login through their Depository participants ("DP")	Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility. a) Login to DP website b) After Successful login, members shall navigate through "e-voting" tab under Stocks option. c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu. d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.
Individual Shareholders holding securities in Physical mode/ Non-Individual Shareholders holding securities in demat mode & E-voting service Provider is Link Intime.	1. Visit URL: https://instavote.linkintime.co.in 2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - **A. User ID:** Shareholders holding shares in physical form shall provide Event No. 240289 + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) **D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. **Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above. Shareholders holding shares in **NSDL form**, shall provide 'D' above* ➢ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). ➢ Click "confirm" (Your password is now generated). 3. Click on 'Login' under **'SHARE HOLDER'** tab. 4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on **'Submit'**. **Cast your vote electronically:** 1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon. 2. E-voting page will appear. 3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. 'Investor ID' -

i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 - Remote E-voting

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

METHOD 2 - VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select '**View**' icon for '**Company's Name / Event number** '. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Individual Shareholders holding securities in Physical mode have forgotten the password:

- On the e-Voting website of Link Intime, click on 'Login' under **'SHAREHOLDER'** tab and further Click **'forgot password?'**
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'.**

  User id for Shareholders holding shares in physical mode is Event No. (240289)+Folio No. registered with the Company.
- In case shareholders/ members have valid email address, Password will be sent to his / her registered e-mail address.

- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL who have forgotten their password:

- Shareholders/ Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/DP's website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders/ Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of times till they have voted on the resolution(s) for a particular "Event".

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click **'forgot password?'**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".
- In case shareholders have valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

  The password should contain

  a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case Shareholders/ Members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022- 2499 7000
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & E-voting service Provider is Link Intime.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

ii. Voting during the Annual General Meeting through InstaMeet:

Members who have not exercised their vote through the remote e-voting can cast their vote during the meeting once the electronic voting is activated by the scrutinizer / moderator. Instructions and information relating to e-Voting during the Annual General Meeting through InstaMeet are as follows:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour / Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

   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, shall be eligible to vote through e-Voting system during the AGM.

   In case members have any queries regarding e-voting, they may send an email to enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

20. General Guidelines for shareholders:

a) Institutional shareholders / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer at js@rathiandassociates.com with a copy marked to prathamesh.ghugare@linkintime.co.in

b) Members who have cast their votes by remote e-Voting prior to the AGM may also attend/ participate in the Meeting through VC/ OAVM but they shall not be entitled to cast their vote again.

c) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. **August 2, 2024**.

d) Mr. Jayesh Shah, Partner, M/s. Rathi & Associates, Practicing Company Secretaries (Membership No. F 5637, COP: 2535), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.

e) The Chairperson shall, at the AGM, at the end of discussion on all the resolutions on which voting is to be held, allow voting by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

f) The results shall be declared not less than forty-eight (48) hours from conclusion of the AGM. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company immediately after the declaration of results by the Chairperson or a person authorized by him in writing. The results shall also be immediately submitted to BSE Limited and the National Stock Exchange of India Limited.

21. Documents open for inspection:

a) All the material documents referred to in the notice and the Explanatory Statement, shall be available for inspection by the Members, through electronic mode. Members are requested to write to the Company at mittal.mehta@gmmpfaudler.com and investorservices@gmmpfaudler.com for inspection of said documents, mentioning their name, Folio no. / Client ID and DP ID and the documents they wish to inspect.

b) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members during the AGM at https://www.gmmpfaudler.com/file/documents_for_inspection.pdf

Dividend related information

22. The Register of Members and Share Transfer Books of the Company will remain closed from August 3, 2024 to August 9, 2024 (both days inclusive).
23. Final dividend for the financial year ended March 31, 2024, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or before September 5, 2024, to those members whose names appear on the Register of Members as on August 2, 2024.
24. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.
25. Members holding shares in physical / electronic form are required to submit their bank

account details, if not already registered, as mandated by SEBI.

26. Process for updating of bank account mandate for receipt of dividend electronically:

    In case of shareholders holding shares in physical mode have not registered their Bank Account mandate for receipt of dividend, the following instructions to be followed:

    Submit Form ISR-2 along with the supporting documents to Link Intime at C-101, 247 Park, LBS Marg, Vikhroli, Mumbai - 400083.

    In the case of Shares held in Demat mode:

    The shareholder may please contact the Depository Participant ("DP") and register the bank account details in the demat account as per the process followed and advised by the DP.

27. In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend instruments to such shareholder by post.

28. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM.

    The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability / Documents required
Any resident shareholder	10%	Update the PAN if not already done with depositaries (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode). • No deduction of taxes in the following cases - If dividend income to a resident Individual shareholder during FY 2020-21 does not exceed ₹5,000/-, • If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submitting Form 15G / Form 15H	NIL	Eligible Shareholders providing Form 15G (applicable to resident individual below the age of 60 years) / Form 15H (applicable to a resident individual aged 60 years and above) - on fulfilment of prescribed conditions. Please refer attached format.
Order under section 197 of the Act	Rate provided in the order	Lower / NIL withholding tax certificate obtained from Income Tax Authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Alternative Investment Fund	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated June 25, 2015.
Other resident shareholder without PAN / Invalid PAN/ Specified person under Section 206AB / PAN-Aadhar not linked (i.e., PAN being classified as inoperative)	20%	

Please Note that:

a) Recording of the valid Permanent Account Number (PAN) for the registered Folio/DP id-Client Id is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.

b) Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

c) For the purpose of determining the status of specified person and PAN-Aadhaar linkage, the Company will rely on the Government enabled verification facility.

Table 2: Non-resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability / Documents required
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ("Tax Treaty"). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the Company. • Copy of the PAN Card, if any, allotted by the Indian authorities. • Self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident. • E-filed form 10F electronically filed on the e-filing income tax web portal • Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit and do not/ will not have place of effective management in India. (format attached herewith). TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided. The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.

Category of Shareholder	Tax Deduction Rate	Exemption Applicability / Documents required
Submitting Order under section 195(3) / 197 of the Act.	Rate provided in the Order	Lower / NIL withholding tax certificate obtained from Income Tax authorities.

Note : The Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts

All Shareholders are requested to ensure that the documents as mentioned in the Table 1 and 2 above are required to be submitted to the Company / Registrar at email ID https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html# on or before July 25, 2024 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/documents on the tax determination / deduction shall be considered post 11:59 PM (IST) of July 25, 2024.

No claim shall lie against the Company for such taxes deducted.

The Company will arrange to email a soft copy of the TDS certificate at the shareholders registered email ID in due course, post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://www.incometax.gov.in/iec/foportal/.

29. Procedure for registration of e-mail address and bank details by shareholders: -

i) For temporary registration for demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html or on their web site www.linkintime.co.in on the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID / PAN, mobile number and e-mail id. In case of any query, a member may send an email to RTA at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii) For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

iii) Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html or on their web site www.linkintime.co.in at the Investor Services tab by choosing the e-mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

iv) Registration of Bank Details for physical shareholders:

Shareholders holding shares in physical mode and who have not registered their bank details can register the same by submitting Form ISR-2 along with the supporting documents to Link Intime at C-101, 247 Park, LBS Marg, Vikhroli, Mumbai 400083. In case of any query, a member may send an email to RTA at rnt.helpdesk@linkintime.co.in.

30. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

A. Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

B. During the financial year 2023-24, the Company has transferred to IEPF, the following unclaimed dividends and corresponding shares thereto:

Particulars	Amount of Dividend (in INR)	No. of shares
1st interim dividend 2016-17	1,14,827	388
Final Dividend 2015-16	85,613	238
2nd interim dividend 2016-17	72,290	410
3rd interim dividend 2016-17	84,122	785

C. The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company's website at https://www.gmmpfaudler.com/investors/shareholders-center/unclaimed-data

D. The details of dividend paid for the financial year 2017-18 onwards proposed to be transferred to IEPF are given below:

Date of declaration	Dividend Details	Dividend in INR Per share	Due date of the proposed transfer to IEPF
10-Aug-2017	1st interim dividend 2017-18	0.70	09-Sep-2024
27-Sep-2017	Final dividend 2016-17	0.90	27-Oct-2024
09-Nov-2017	2nd interim dividend 2017-18	0.70	09-Dec-2024
06-Feb-2018	3rd interim dividend 2017-18	0.70	08-Mar-2025

Others

31. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

32. Members may please note that SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the following weblink at https://www.gmmpfaudler.com/investors/shareholders-center/shareholder-information

Members may please note that SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has mandated submission of PAN, KYC details and nomination of holders of physical securities. Members may further note that SEBI vide an amendment dated November 17, 2023 had mandated that the security holders (holding securities in physical form), whose folio(s) are not KYC compliant, shall be eligible for any payment including dividend in respect of such folios, only through electronic mode with effect from April 01, 2024, upon their furnishing all the aforesaid details in entirety.

Accordingly, the company has sent such notification letters to Members whose KYC information is not updated with the RTA. Furthermore, attempts to reach out to these Members via the phone numbers listed in the RTA records were initiated.

Members are requested to submit their PAN, KYC details and nomination of holders of physical securities to the Company at investorservices@gmmpfaudler.com or RTA at rnt.helpdesk@ linkintime.co.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Re-appointment of Mr. Ashok Patel (DIN 00165858) as Non-Executive Director of the Company:

Mr. Ashok Patel, Non-Executive Non-Independent Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Accordingly, the Board of Directors at their meeting held on May 22, 2024, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), approved re-appointment of Mr. Ashok Patel as Non-Executive Director of the Company.

In line with the Nomination, Remuneration & Evaluation Policy, the NRC considers candidates having experience and expertise across industries for appointment on the Board and deliberates on various factors including skill matrix, functional expertise, diversity, time-commitment and statutory requirements while considering appointment and re-appointment of any person on the Board.

For re-appointment of Mr. Ashok Patel on the Board, the NRC took into consideration his proven leadership capabilities, vast experience, long-term association, strategic outlook, organizational transformation and general management expertise as being key requirements for this role.

The Board of Directors firmly believes that Mr. Patel's skills, expertise, experience and his pioneering role in guiding the Company through five decades of diversification and growth have been an asset to the organization and his continued association would be of immense benefit to the Company.

Further, the Shareholders through postal ballot resolution passed on March 27, 2019, approved the continuation of directorship of Mr. Ashok Patel after he attains the age of 75 years, by way a special resolution pursuant to Regulation 17(1A) of the SEBI Listing Regulations. Accordingly, no further approval is being sought regarding the same as part of this Notice.

Based on performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends the resolution in relation to the re-appointment of Mr. Ashok Patel as set out in Item No. 3, for approval of the Members by way of an Ordinary Resolution.

Additional information in respect of Mr. Ashok Patel, pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meetings (SS-2), is given as Annexure A to this Notice.

Except Mr. Ashok Patel and his relatives, who are named in the promoter group of the Company and Mr. Tarak Patel, Managing Director of the Company who is the son of Mr. Ashok Patel, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

Item No. 4

Ratification of Remuneration of the Cost Auditor viz. M/s. Dalwadi & Associates, Cost Accountants for the financial year ending March 31, 2025:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Dalwadi & Associates, Cost Accountants (Firm Registration No. 000338) as Cost Auditors for conducting the Cost Audit of the records maintained by the Company for the financial year 2024-25 at a remuneration of INR 1,82,000/- (Rupees One Lakh Eighty-Two Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to M/s. Dalwadi & Associates, Cost Auditors, as stated above requires ratification by the Members of the Company.

Accordingly, consent of the Members is being sought for passing the resolution as set out in item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board recommends the resolution set forth at Item No. 4 for the approval of Members as an Ordinary Resolution.

Item No. 5 & 6

Approval for borrowings by the Company in excess of the limits prescribed and creation of security in respect of an undertaking of the Company under Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013:

As per Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014, only with the approval of Shareholders by way of a special resolution, the Board of Directors of the Company are authorized to borrow monies and provide security for such borrowings in excess of the limits prescribed under Section 180(1)(c) of the Act.

In that regard, Shareholders of the Company, by passing a Special resolution at the Extraordinary General Meeting held on September 01, 2022, had granted powers to the Board of Directors of the Company to borrow monies and provide security for borrowings which could include creation of mortgage/ charge over the fixed assets of the Company, upto INR 600,00,00,000 (Indian Rupees Six Hundred Crores only) or (B) the maximum limits so prescribed under Section 180(1)(c) of the Companies Act, 2013, whichever is higher.

Accordingly, the limit available for borrowing and security creation as on March 31, 2024 was INR 745 Crore, which may not be sufficient to cater to the Company's growing business requirements.

Keeping in view the growth plans drawn up by the Company for the next 3 years i.e. upto FY27, there is a need for increasing the borrowings powers of the Company and the limit for mortgaging/ creating charge on the properties of the Company in favour of the lenders from the existing limit of INR 745 Crores to INR 1,300 Crores.

In the industry in which the Company operates, the major requirement of borrowing is by way of Letter of Credit and Bank Guarantee which are required right from the stage of bidding for the projects. The proposed enhanced limits in the borrowing powers and security creation are expected to be sufficient for meeting the Company's business requirements upto FY27.

The Company may be required to provide security for additional borrowings which could include creation of mortgage/ charge over the fixed assets of the Company, on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and rankings as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

Therefore, to fulfill growth & expansion in the business operations, to achieve greater financial flexibility and to enable an optimal financing structure, it would be in the interest of the Company to seek approval of the Shareholders for further enhancing the borrowing limits and authorize the Board of Directors to borrow monies upto higher of the maximum amount of INR 1,300 Crores or the limits prescribed under Section 180(1)(c) of the Act.

Accordingly, consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by creation of security on any of the movable and/or immovable properties and / or the whole or any part of the undertaking(s) of the Company as set out in the Special Resolutions at Item 5 & 6 of the Notice.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 and 6.

The resolutions at Item No. 5 and 6 of this notice are accordingly recommended by the Board of Directors of the Company for the approval of the Members as Special Resolutions.

Item No. 7

Appointment of Ms. Shilpa Divekar Nirula (DIN: 06619353) as an Independent Director of the Company:

The Board of Directors at their at their meeting held on May 22, 2024, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), approved appointment of Ms. Shilpa Divekar Nirula (DIN: 06619353) as an Independent Director with effect from May 22, 2024 for a term of 5 years till May 21, 2029, subject to approval of the Shareholders, who shall not be liable to retire by rotation.

In line with the Nomination, Remuneration & Evaluation Policy, the NRC considers candidates having experience and expertise across industries for appointment on the Board and deliberates on various factors including skill matrix including skill-gaps, functional expertise, diversity, time-commitment and statutory requirements while considering appointment of any person on the Board.

For appointment of Ms. Nirula on the Board, the NRC took into consideration her diverse experience, leadership capabilities, strategic outlook, organizational transformation, mentoring business to turn around & grow, financial and general management expertise as being key requirement for this role.

The Board of Directors firmly believe that Ms. Nirula's skills, background, expertise and experience are aligned to the role and capabilities identified by the NRC and that her association would be of immense benefit to the Company.

The Board of Directors of the Company has received consent from Ms. Nirula for her appointment as an Independent Director of the Company. Further, declarations under Section 164 and Section 149(6) of the Act along with Regulation 16(1)(b) of the SEBI Listing Regulations have been received from her. Furthermore, she is not debarred from holding the office of director by virtue of any SEBI order or any other such authority and has successfully registered herself in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a Member proposing her candidature under Section 160 of the Act.

In the opinion of the Board, Ms. Nirula fulfills the conditions specified in the Act, its rules framed thereunder and SEBI Listing Regulations for appointment as Independent Director and she is independent of the management. Accordingly, the Board recommends the resolution as set out in Item No. 7 for the approval of the Members as Special Resolution.

The required details including a brief profile of Ms. Nirula, as per the Secretarial Standards (SS-2) and Regulation 36(3) of the SEBI Listing Regulations, are provided as Annexure B to this Notice.

A copy of the draft letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day up to the conclusion of the AGM and is also available on the website of the Company:

https://www.gmmpfaudler.com/file/Letter_of_appointment_to_Independent_Directors.pdf

Except, Ms. Shilpa D. Nirula and her relatives, none of the Directors or any of the Key Managerial Personnel of the Company and their relatives are directly or indirectly, concerned or interested in the resolution set out at item No. 7.

By Order of the Board of Directors
For GMM Pfaudler Limited

Mittal Mehta
Company Secretary
M. No. 7848

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat

Annexure A

Brief Profile of Director(s) seeking continuation of Directorship pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards 2 on General Meetings issued by the Institute of Company Secretaries of India

Name of Director	Mr. Ashok Patel
DIN	00165858
Date of Birth	September 6, 1944
Qualifications	B.Sc degree from the University of Manchester Institute of Science & Technology, UK and an MBA from the Columbia University, USA.
Expertise in specific functional area	International Business, Finance, Strategy, Technology and General Management
Experience	52 years
Date of first appointment on the Board	January 30, 2007
Shareholding in the Company as on March 31, 2024	8,51,940 Equity Shares (1.90%)@
Terms and conditions of appointment/ continuation of Directorship	Non-Executive Director liable to retire by rotation.
Details of last remuneration drawn in INR (FY24)	₹10.00 Lakhs (Sitting Fees)
Details of proposed remuneration	Sitting fees as may be approved by the Board, in accordance with the applicable provisions of law.
Inter-se Relationship between • Directors • Key Managerial Personnel	Father of Mr. Tarak Patel (Managing Director)
Number of meetings of the Board attended during FY24	Held- 7 Attended- 7
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of the Company	Member of the Risk Management Committee and Corporate Social Responsibility Committee
Other Companies in which he is a Director excluding Directorship in Private and Section 8 Companies	• Skyline Millars Limited • Readymix Concrete Limited
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of other Public Limited Companies in which he is a Director*	Nil

Note(s):

@Includes 831,705 equity shares held as Karta of Ashok Patel HUF.

*Committee positions of Audit and Stakeholders Relationship Committee held in Public Limited companies are considered.

Annexure B

Brief Profile of Director(s) seeking continuation of Directorship pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards 2 on General Meetings issued by the Institute of Company Secretaries of India

Name of Director	Ms. Shilpa Nirula
DIN	06619353
Date of Birth	November 30, 1973
Qualifications	Master of Business Administration from S. P. Jain Institute of Management & Research, Chartered Accountant, Cost & Works Accountant, Master of Commerce.
Expertise in specific functional area	Strategic Planning & Execution, Customer Centricity, P&L Management, Portfolio Management, Relationship Management, Business Acumen
Experience	27 years
Date of first appointment on the Board	May 22, 2024
Shareholding in the Company as on March 31, 2024	N.A.
Terms and conditions of appointment/ continuation of Directorship	For a continuous term of five years and not liable to retire by rotation
Details of last remuneration drawn in INR (FY 24)	N.A.
Details of proposed remuneration	Sitting fees & Commission as approved by the Board, in accordance with the applicable provisions of law
Inter-se Relationship between • Directors • Key Managerial Personnel	Not Applicable
Number of Meetings of the Board attended during the FY24	Since she was appointed w.e.f. May 22, 2024, she was not entitled to attend any Board meeting during the FY24
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of the Company	Audit Committee - Member Risk Management Committee - Member Allotment Committee - Member
Other Companies in which she/he is a Director excluding Directorship in Private and Section 8 Companies	Astrazeneca Pharma India Limited
Chairmanship/Membership of the Statutory Committee(s) of Board of Directors of other Public Ltd Companies in which he is a Director*	Chairperson of Audit Committee of Astrazeneca Pharma India Limited
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Ms. Nirula brings with her diverse and technical expertise in the areas of Finance & Taxation, Strategic Planning & Execution, Business Transformation and Risk Management.

Note(s): *Committee positions of Audit and Stakeholders Relationship Committee held in Public Ltd companies are considered.

Board's Report

To the Members

The Directors have pleasure in presenting the Sixty First Annual Report together with the Consolidated and Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2024.

1. SUMMARY OF THE FINANCIAL RESULTS:

(₹ in Crores)

Particulars	STANDALONE	
	March 31, 2024	March 31, 2023
Revenue from operations	1,030.61	1,074.79
Profit before tax	69.71	131.07
Profit after tax	51.05	98.94

During the financial year 2023-24, on standalone basis revenue was down by 4.11%, Profit before tax was down by 46.81% and Profit after tax was down by 48.40% as compared to previous financial year.

(₹ in Crores)

Particulars	CONSOLIDATED	
	March 31, 2024	March 31, 2023
Revenue from operations	3,446.48	3,177.55
Profit before tax	255.40	271.07
Profit after tax	174.10	210.37

During the financial year 2023-24, on consolidated basis revenue was up by 8.46%, Profit before tax was down by 5.78% and Profit after tax was down by 17.24% as compared to previous financial year.

2. SHARE CAPITAL:

During the year under review, there was no change in Authorised and Paid-up Share Capital of the Company. Also, there was no reclassification or sub-division of equity shares during the year under review. Further, Pfaudler Inc. has been re-classified from 'Promoter' to 'Public' category through approval received from BSE Limited and the National Stock Exchange of India Limited on April 2, 2024.

3. ESOP

The Company had adopted the GMM Pfaudler Employee Stock Option Plan 2021 ("ESOP Plan 2021") to reward, incentivise and retain employees on December 2, 2021.

The Nomination and Remuneration Committee at their meeting held on:

a) May 25, 2023 approved grant of 2nd Tranche of options comprising of 12,600 stock options to the Eligible Employees of the Company and its subsidiaries under the ESOP Plan 2021.

b) May 21, 2024 approved grant of 3rd Tranche of options comprising of 16,200 stock options to the Eligible Employees of the Company and its subsidiaries under the ESOP Plan 2021.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been placed on the website of the Company and can be accessed at https://www.gmmpfaudler.com/file/ESOP-Annexure-2024.pdf

A certificate from M/s. Rathi & Associates, Secretarial Auditors of the Company certifying that the ESOP Plan 2021 has been implemented in accordance with SEBI SBEB Regulations pursuant to the resolutions passed by the Shareholders, will be available for electronic inspection at the ensuing Annual General Meeting.

4. TRANSFER TO RESERVES:

During the year under review, there was no amount transferred to General Reserve out of the net profits of the Company for the financial year 2023-24. Hence, the entire amount of profit has been carried forward to the Profit & Loss Reserve Account.

5. DIVIDEND:

During the year under review, the Board of Directors declared and paid an Interim Dividend of ₹1.00/- per share. The total amount distributed as interim dividend on paid-up share capital for the year amounted to ₹4.50 Crores.

Based on the performance of the Company for the year, the Board of Directors is pleased to recommend a Final Dividend of ₹1.00 on the paid-up share capital for the year amounting to ₹4.50 Crores.

The dividend declared and/or paid by the Company for the Financial Year 2023-24, is in compliance with the Dividend Distribution Policy of the Company.

The Dividend Distribution Policy is set out as 'Annexure A' forming a part of this Report and is also available on the Company's website at https://www.gmmpfaudler.com/file/Dividend_Distribution__Policy.pdf.

6. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of the Company's subsidiaries for the financial year ended March 31, 2024 are set out as 'Annexure B' forming a part of this Report.

The Policy for determining Material Subsidiaries, as approved by the Board, is uploaded on the Company's website and can be accessed at:

https://www.gmmpfaudler.com/file/PolicyfordeterminingMaterialSubisidiaries.pdf.

7. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial reporting as designed and implemented by the Company are adequate and ensure that all transactions are authorized, recorded and reported correctly in a timely manner. During the year under review, no material or serious lapses have been observed by the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

8. INTERNAL CONTROL SYSTEMS:

The Company's internal control systems are commensurate with the nature of its business, size and complexity of its operations. Appropriate internal control policies and procedures have been setup to ensure compliance with various policies, practices and statutes keeping in view the organization's pace of growth and increasing complexity of operations. The Internal Auditors carry out extensive audits throughout the year across all functional areas and submit their reports to the Audit Committee to further strengthen the process and make them more effective. The Audit Committee periodically reviews the adequacy and effectiveness of the Company's internal financial control and implementation of audit recommendations.

9. MANAGEMENT DISCUSSION & ANALYSIS:

Management Discussion & Analysis Report for the year under review, under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is presented in a separate section and forms a part of this Report.

10. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

The Company has been conducting business in a sustainable manner and to create maximum value for all its stakeholders. Business Responsibility and Sustainability Report for FY24 describing various initiatives taken by the Company from environment, social and governance perspective in accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, is presented in a separate section and forms part of this report.

11. CORPORATE GOVERNANCE:

The Report on Corporate Governance as stipulated under Regulation 34 of the SEBI Listing Regulations forms an integral part of this Report.

The requisite certificate from Deloitte Haskins & Sells, Chartered Accountants confirming compliance with the conditions of corporate governance as stipulated under Schedule V of the SEBI Listing Regulations is enclosed to the Report on Corporate Governance.

12. CORPORATE SOCIAL RESPONSIBILITY:

The Board has constituted a Corporate Social Responsibility ("CSR") Committee as per the provisions of Section 135 of the the Act. The Board has also framed a CSR Policy as per the recommendations of the CSR Committee.

The CSR Policy is available on the Company's website at https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf.

The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended March 31, 2024 is provided under Annual Report on CSR prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out as 'Annexure C' forming a part of this Report.

GMM Pfaudler Foundation, a Section 8 Company and wholly owned subsidiary of the Company, reflects the Company's commitment to CSR. The Foundation focuses on education, skill development, healthcare, and environmental sustainability, in alignment with the Company's CSR policy.

13. RELATED PARTY TRANSACTIONS:

All related party transactions entered by the Company during the financial year were in accordance with the Policy on dealing with related party transactions formulated and adopted by the Company. These transactions have been reviewed and certified by an Independent Consultant and approved by the Audit Committee and reviewed by it on a periodic basis.

The policy on dealing with related party transactions, is available on the Company's website at https://www.gmmpfaudler.com/file/PolicyonRelatedPartyTransactions.pdf.

During the year under review:

a) All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act.

b) There were no contracts or arrangements entered into by the Company under Section 188(1) of the Act and

c) There were no materially significant related party transactions that may have potential conflict with interest of the Company at large.

Necessary disclosures as required by the Indian Accounting Standards (Ind AS 24) have been made in the Annual Report.

The particulars of contracts or arrangements entered into with the related party are set out in Note 41 to the standalone financial statements of the Company forming part of the Annual Report. The Company in terms of Regulation 23 of the SEBI Listing Regulations submits within the stipulated time from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions to the stock exchanges, in the format specified in the relevant accounting standards and SEBI.

14. RISK MANAGEMENT POLICY:

The Company recognises that risk is an integral and inevitable part of business and is fully committed to manage the risks in a proactive and efficient manner.

The Company continuously sharpens its risk management systems and processes in line with a rapidly changing business environment. The Company's Risk Management policy ensures sustainable growth of the organisation & promotes pro-active approach in evaluating, mitigating, and reporting such risks associated with the business. The said policy is available on the Company's website at https://www.gmmpfaudler.com/file/Risk_Management_Policy.pdf.

The Risk Management Committee ("RMC") of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and to ensure that key strategic and business risks are identified and addressed by the management.

A sub-committee of the RMC named Executive Risk Management Council (ERMC) consistently monitors and record changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports the implementation of the risk mitigation plans to the RMC which in turn reports to the Board of Directors.

Necessary information on the reference to the Committee, meetings of the Risk Management Committee held during the year and other related information are furnished in the Corporate Governance Report attached herewith and forms part of this Report.

15. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP):

A. DIRECTORS:

The present composition of the Board is in compliance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI Listing Regulations.

During the year under review, Mr. Harsh Gupta and Mr. Malte Woweries, Non-Executive Directors (Pfaudler Representatives) resigned as Directors of the Company w.e.f. August 18, 2023. Further, the Board of Directors appointed Ms. Shilpa Divekar Nirula as an Independent Director of the Company w.e.f. May 22, 2024, subject to approval by the Shareholders at the ensuing 61st Annual General Meeting.

As on date, Mr. Prakash Apte, Mr. Nakul Toshniwal, Ms. Bhawana Mishra, Mr. Vivek Bhatia and Ms. Shilpa Divekar Nirula are the Independent Directors on the Board.

All the Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time.

The Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience and expertise in industry knowledge and they hold highest standard of integrity. All Independent Directors of the Company have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Section 152 of the Act, Mr. Ashok Patel, Director being longest in the office, will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends his appointment in accordance with the provisions of the Act.

All Directors have given a certificate to the Compliance Officer confirming the adherence to the Code of Conduct & Ethics Policy of the Company for the financial year 2023-24.

B. KEY MANAGERIAL PERSONNEL:

During the year under review, there is no change in the Key Managerial Personnel of the Company. As on date, Mr. Tarak Patel, Managing Director, Mr. Aseem Joshi, Chief Executive Officer, Mr. Manish Poddar, Chief Financial Officer and Ms. Mittal Mehta, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company.

C. DIRECTORS ' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Act, and in relation to the audited financial statements of the Company for the year ended March 31, 2024, the Board of Directors hereby confirms that:

a. in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. such accounting policies have been selected and applied consistently and the Directors have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year;

c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a going concern basis;

e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

D. MEETINGS OF THE BOARD:

Seven (7) Meetings of the Board of Directors were held during the financial year ended March 31, 2024. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

E. AUDIT COMMITTEE:

The Audit Committee as on March 31, 2024 comprised of three members viz. Mr. Vivek Bhatia, (Chairperson), Mr. Prakash Apte (Member) and Mr. Nakul Toshniwal (Member). All members of the Audit Committee are Independent Directors. .

The details of meetings of the Committee held during the financial year under review along with attendance of members thereof, changes in the composition of Audit Committee during the year and period till date and Role of the Audit Committee are provided in the Corporate Governance Report annexed to this Report. All the recommendations made by the Audit Committee during the year were accepted by the Board.

F. STAKEHOLDERS RELATIONSHIP COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Section 178 of the Act, the Nomination and Remuneration Committee and Stakeholders Relationship Committee were constituted by the Board of Directors to deal with the matters as specified in the reference given to the respective committees.

The details of roles, powers and meetings of the Committees held during the financial year under review along with attendance of members thereof and status of grievances received from various stakeholders during the financial year are furnished in the Corporate Governance Report annexed to this Report.

G. NOMINATION, REMUNERATION AND EVALUATION POLICY:

The Board of Directors has formulated a Policy which set standards for the nomination, remuneration and evaluation of the Directors & Key Managerial Personnel and aims to achieve a balance of merit, experience and skills amongst its Directors & Key Managerial Personnel.

The Nomination Remuneration and Evaluation Policy is available on the Company's website at https://www.gmmpfaudler.com/file/NominationRemuneration&EvaluationPolicy.pdf.

H. BOARD EVALUATION:

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The Nomination Remuneration and Evaluation Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

In order to have a fair and unbiased view of all the Directors, the Company used a secure online application of an external agency which helped maintain anonymity of the evaluation feedback.

The Independent Directors at their separate meeting reviewed the performance of:

- Non-Independent Directors and the Board as a whole;
- Chairperson of the Company after taking into account the views of Executive Directors and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Directors were satisfied with the evaluation process undertaken during the year. Further, in the opinion of the Board, all the Directors and in particular Independent Directors possess utmost integrity, professional expertise and requisite experience including proficiency.

I. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The Familiarization Programme for the Board and details of various familiarization programmes conducted during the year ended March 31, 2024 are available on the Company's website at https://www.gmmpfaudler.com/file/Familiarization_Programme_FY24.pdf

16. VIGIL MECHANISM:

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the SEBI Listing Regulations.

The Company has constituted an Ethics Committee to receive and investigate complaints received under the Whistle Blower Policy.

This gives a platform to the Directors and Employees to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints.

The mechanism ensures adequate protection and safeguards Directors and Employees from any victimization on reporting of unethical practices and irregularities. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

The Whistle Blower Policy has been appropriately communicated within the Company across all levels and is available on the website of the Company at https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf.

17. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company believes that all its employees have the right to be treated with dignity and is committed to providing a safe and conducive work environment.

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, the Company has received and resolved 1 complaint of sexual harassment. The policy formulated by the Company for Prevention of Sexual Harassment is available on the website of the Company at

https://www.gmmpfaudler.com/f i l e/Anti-Sexual-Harrassment-Policy.pdf.

18. AUDITORS AND AUDITORS' REPORT:

A. STATUTORY AUDITORS:

M/s. Deloitte, Haskins & Sells, Chartered Accountants (FRN 117365W) were re-appointed as Statutory Auditors of the Company, for a second term of consecutive five years, i.e. from the conclusion of 57th Annual General Meeting held on August 27, 2020 till the conclusion of 62nd Annual General Meeting by Shareholders of the Company. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report for the financial year ended March 31, 2024 report does not contain any reservation, qualification or adverse remark. The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

B. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Board of Directors had appointed M/s. Rathi and Associates, Practicing Company Secretaries for conducting Secretarial Audit Report of the Company for the financial year 2023-24.

The Secretarial Audit Report obtained pursuant to the provisions of Section 204 of the Act and Rules made there under, from M/s. Rathi and Associates, Practicing Company Secretaries for the financial year 2023-24 is set out at 'Annexure D' forming a part of this Report and does not contain any reservation, qualification or adverse remark.

Further, the Board of Directors at their meeting held on May 22, 2024 have re-appointed M/s. Rathi and Associates, Practicing Company Secretaries for conducting Secretarial Audit Report of the Company for the financial year 2024-25.

C. COST AUDITORS:

Pursuant to Section 148 of the Companies Act read with the Companies (Cost Record and Audit) Rules, 2014, the Board of Directors of the Company on recommendation of Audit Committee appointed M/s. Dalwadi & Associates, Cost Accountants, Ahmedabad, Cost Auditors of the Company for the financial year 2023-24.

Further, the Board of Directors, on recommendation of the Audit Committee at their meeting held on May 22, 2024 have re-appointed M/s. Dalwadi & Associates, Cost Accountants for conducting audit of the cost accounting records maintained by the Company in respect of its manufacturing activities for the financial year 2024-25.

As required under the Act, the remuneration payable to the Cost Auditor has to be placed before the Members at a general meeting for ratification. Hence, a resolution relating to the same forms part of the Notice convening the AGM.

D. INTERNAL AUDITORS:

The Board of Directors at their meeting held on May 25, 2023 had appointed Ernst & Young LLP as Internal Auditors of the Company for the financial year 2023-24 and 2024-25.

Ernst & Young LLP has conducted internal audit of the Company for the financial year 2023-24. Significant audit observations and corrective actions thereon were presented to the Audit Committee on a regular basis. No instances of fraud, suspected fraud, irregularity or failure of internal control systems of material nature were reported by the internal auditors during the year.

19. CREDIT RATING:

During the year under review, ICRA Ltd. vide its report dated June 23, 2023 has reaffirmed the Company's long-term banking facilities [ICRA] AA-/Stable and short-term banking facility ratings at [ICRA] A1+. Further, CRISIL vide its report dated March 21, 2024 has upgraded its Outlook on the Company to Positive from Stable. The CRISIL ratings for the Company's long term bank facilities are CRISIL AA-/ Positive and short-term banking facility at CRISIL AA-/ Positive/ CRISIL A1+.

The above ratings are considered to have a high degree of safety regarding timely payment of financial obligations carrying lowest credit risk.

20. STATUTORY STATEMENTS:

A. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are set out at 'Annexure E' forming a part of this Report.

B. DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

There have been no material changes and commitments affecting the financial position of the Company since the closure of the financial year i.e. since March 31, 2024.

C. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No orders have been passed by any Regulator or Court or Tribunal which could have impact on the going concern status and on the Company's operations in future.

D. ANNUAL RETURN:

The Annual Return of the Company for the financial year ended March 31, 2024 in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 is available on the Company's website at https://www.gmmpfaudler.com/file/Annual-Return-FY24.pdf

E. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review and other disclosures under Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 are set out at 'Annexure F' forming a part of this Report.

F. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

The particulars of loans given and investments made during the financial year under Section 186 of the Act are given at Notes forming part of the Financial Statements.

G. PAYMENT OF REMUNERATION/ COMMISSION TO THE MANAGING DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANIES:

During the year under review, Mr. Tarak Patel, Managing Director received a remuneration of CHF 32,500 from Mavag AG, wholly owned subsidiary of the Company as sitting fees for attending its Board meetings.

H. INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 123 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, the amounts of dividends remaining unclaimed for a period of seven years and shares thereon are required to be transferred to the Investor Education and Protection Fund ("IEPF"); details of which are available on the Company's website at https://www.gmmpfaudler.com/investors/shareholders-center/unclaimed-data

During the year under review, the Company has transferred ₹3,56,852 on account of unclaimed/ unpaid dividend along with corresponding 1,924 equity shares of face value ₹2/- each to the IEPF.

Details of the Nodal Officer appointed under the said provisions are:

Ms. Mittal Mehta, Company Secretary & Compliance Officer,

Email: mittal.mehta@gmmpfaudler.com

I. LARGE CORPORATE

SEBI vide its Circular SEBI/HO/DDHS/P/CIR/2021/613 dated April 13, 2022 issued the provisions for 'Fund raising by issuance of debt securities by large corporates' ("Framework"). As per the said Framework, Large Corporate are mandated to raise a minimum 25% of their incremental borrowings in a financial year through issuance of debt securities in a block of three years after being identified as a Large Corporate. Based on the audited financial statements of the Company for the financial year ended March 31, 2023, the Company had identified itself as a Large Corporate.

The Company during the financial year ended March 31, 2024 has not raised any long term borrowings. Accordingly, the requirement of issuance of debt securities was not applicable to the Company.

The said framework was amended vide Circular dated October 19, 2023 issued by SEBI, and as per the revised framework, the Company is not a Large Corporate as on March 31, 2024.

21. GENERAL:

The Board of Directors confirm that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2023-24:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of sweat equity shares.
3. Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
4. Material or serious instances of fraud falling within the purview of Section 143(12) of the Companies Act, 2013 and Rules made there under.
5. Change in the nature of business of the Company.
6. Revision of financial statements of the Company, pertaining to previous financial year.
7. Acceptance or renewal of any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.
8. Application made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.
9. Disclosure of the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

The Board of Director confirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors and General Meetings.

22. ACKNOWLEDGEMENT:

The Board of Directors of the Company acknowledge with gratitude the support received from shareholders, bankers, customers, suppliers, business partners, regulatory and government authorities. The Directors recognize and appreciate the efforts of all employees that ensured accelerated growth in a challenging business environment.

For and on behalf of the Board of Directors

Mr. Prakash Apte	Mr. Tarak Patel
Chairperson	Managing Director
DIN: 00196106	DIN: 00166183

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road, Karamsad - 388 325, Gujarat

Annexure 'A'

DIVIDEND DISTRIBUTION POLICY

1. INTRODUCTION

This Policy is called "GMM Pfaudler Limited – Dividend Distribution Policy" (hereinafter referred to as "this Policy"), framed pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force.

2. OBJECTIVE

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

3. PHILOSOPHY

The philosophy of the Company is to maximize the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilize its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

4. DEFINITIONS

4.1 Unless repugnant to the context:

"Act" shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.

"Applicable Laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.

"Company or GMM Pfaudler" shall mean GMM Pfaudler Limited.

"Board" or **"Board of Directors"** shall mean Board of Directors of the company.

"Dividend" shall mean Dividend as defined under Companies Act, 2013.

"Policy or this Policy" shall mean the Dividend Distribution Policy.

"SEBI Listing Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

4.2 Interpretation

In this Policy, unless the contrary intention appears:

The clause headings are for ease of reference only and shall not be relevant to interpretation.

Words in singular number include the plural and vice versa.

Words and expressions used and not defined in this Policy but defined in Companies Act, 2013 or rules made thereunder or Securities and Exchange Board of India Act, 1992 or regulations made thereunder or Depositories Act, 1996 shall have the meanings respectively assigned to them in those Acts, Rules and Regulations.

5. PARAMETERS FOR DECLARATION OF DIVIDEND

In line with the philosophy as stated above, the Board of Directors of the Company, shall consider the following parameters before declaring dividend(s) or recommending dividend(s) to the shareholders:

5.1 Internal Factors / Financial Parameters

1. Consolidated net operating profit after tax;
2. Fund requirements to finance the working capital needs of the business;
3. Opportunities for investments of the funds of the Company to capture future growth in the industry, e.g. capital expenditure, network expansion, etc.
4. Funding requirements for any organic and inorganic growth opportunities to be pursued by the Company;
5. Optimal free cash to fund any exigencies, if any;
6. Cost of borrowings vis-à-vis cost of capital/ Outstanding borrowings;

7. Past Dividend Trends;
8. Any other criteria as the Board may deem fit from time to time.

5.2 External Factors

1. Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
2. Dividend pay-out ratios of companies in the same industry;
3. Emerging trends in financial market;
4. Industry growth rate;
5. Any other criteria as the Board may deem fit from time to time.

6. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect Dividend under the following circumstances:

6.1 Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;

6.2 Significantly higher working capital requirements adversely impacting free cash flow;

6.3 Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;

6.4 Whenever it proposes to utilize surplus cash for buy-back of securities; or

6.5 In the event of inadequacy of profits or whenever the Company has incurred losses.

7. UTILIZATION OF RETAINED EARNINGS

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution

8. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

8.1 The Company has only one class of shares referred to as equity shares of the face value of ₹2 each, forming part of its Issued, Subscribed and Paid – up share capital.

8.2 Dividend (including interim and/or final) would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting.

9. PROCEDURE

The given below is a summary of the procedure of declaration and payment of dividends, and is subject to applicable laws:

9.1 In case of final dividend:

a. Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

b. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.

c. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

9.2 In case of interim dividend:

a. Interim dividend, if any, shall be declared by the Board.

b. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.

c. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date as per the applicable laws.

d. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

10. AMENDMENTS TO THE POLICY

10.1 The policy shall be subject to review as may be deemed necessary and to comply with regulatory amendments or statutory modification and subject to the necessary approvals of the Board of the Directors.

10.2 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure 'B'

PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

(Information in respect of subsidiary / Associate Companies / Joint Venture Companies) as on financial year ended on March 31, 2024

PART A - SUBSIDIARIES

(₹ in Crores)

Sr. No	Name of the Subsidiary	GMM Pfaudler Foundation	Mavag AG	GMM International S.à.r.l.	Pfaudler GmbH*	Pfaudler Normag Systems GmbH	Pfaudler interseal GmbH	Mixel France SAS	Pfaudler Service BeNeLux B.V.	Pfaudler S.r.l.	Hydro Air Research Italia S.r.l
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	No	No	No	No	No	No	No	No	No	No
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	INR	CHF 92.43	USD 83.38	EUR 90.14	EUR 90.14	EUR 90.14	EUR 90.14	EUR 90.14	EUR 90.14	EUR 90.14
3	Share capital	0.25	127.64	4.57	90.98	0.23	0.70	2.24	0.16	66.75	0.90
4	Reserves and Surplus	0.26	147.89	465.72	226.25	93.59	57.49	52.61	25.58	74.35	45.35
5	Total Assets	0.26	258.14	770.76	890.51	186.78	85.21	132.12	39.40	262.41	102.13
6	Total Liabilities	0.00	110.25	300.48	573.28	92.97	27.01	77.28	13.66	121.31	55.88
7	Investments	-	83.90	749.98	258.56	-	-	6.39	-	44.72	-
8	Turnover	-	256.61	-	442.49	161.71	109.83	112.38	38.02	175.57	76.54
9	Profit before taxation	0.04	8.38	-45.09	16.54	19.27	-0.61	-13.53	4.51	29.25	1.80
10	Provision for taxation	-	1.15	-	-11.11	-3.49	0.25	3.29	-1.15	-7.20	-0.32
11	Profit after taxation	0.04	7.23	-45.09	5.44	15.79	-0.36	-10.24	3.36	22.05	1.49
12	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
13	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Sr. No	Name of the Subsidiary	Pfaudler Limited	Pfaudler (Chang Zhou) Process Equipment Company Limted	Mixel Agitator Company Limited	Pfaudler S.A. de C.V.	Edlon Inc.	GMM Pfaudler US Inc.@	GMM Pfaudler JDS LLC	Professional Mixing Equipment Inc.	Pfaudler Ltda.	Pfaudler Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	No	No	No	No	No	No	No	No	No	No
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	EUR 90.14	CNY 11.54	CNY 11.54	MXN 5.03	USD 83.38	USD 83.38	USD 83.38	CAD 61.44	BRL 16.68	SGD 61.80
3	Share capital	163.55	60.24	8.94	2.94	44.58	-	27.52	24.58	13.19	0.93
4	Reserves and Surplus	-52.04	42.56	0.00	6.88	68.56	282.72	-14.12	1.62	82.88	-0.33
5	Total Assets	151.93	226.25	37.23	15.98	182.75	821.08	31.32	83.08	129.55	0.65
6	Total Liabilities	40.42	123.45	28.29	6.16	69.61	538.36	17.92	56.88	33.48	0.06
7	Investments	6.68	-	-	-	-	152.38	-	-	-	-
8	Turnover	174.93	221.29	37.45	12.69	195.37	676.14	-	13.17	121.98	-
9	Profit before taxation	5.66	22.65	4.52	0.75	48.10	56.73	-9.71	2.21	32.00	0.06
10	Provision for taxation	0.41	-7.66	-0.77	-0.21	-10.82	-12.45	-0.10	-0.59	-10.04	-
11	Profit after taxation	6.07	14.99	3.76	0.54	37.28	44.29	-9.81	1.62	21.95	0.06
12	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
13	% of shareholding	100%	100%	100%	100%	100%	100%	51%	100%	100%	100%

Note(s):

*Including subsidiary - Pfaudler France S.à r.l.

@Including subsidiary - Glasteel Parts and Services, Inc

PART B - ASSOCIATE COMPANIES AND JOINT VENTURES

As on March 31, 2024, the Company does not have any Associate Companies or Joint Ventures.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
Place: Mumbai
Date: May 22, 2024

Tarak Patel
Managing Director
Place: Mumbai
Date: May 22, 2024

Manish Poddar
Chief Financial Officer
Place: Mumbai
Date: May 22, 2024

Mittal Mehta
Company Secretary
Place: Mumbai
Date: May 22, 2024

Annexure 'C'

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

(Pursuant to Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (Including any statutory modification(s) or re-enactment(s) for the time being in force))

1. Brief outline on the CSR Policy of the Company.

GMM Pfaudler Limited ('the Company') recognizes the impact it has among communities in which it operates and believes that it has a responsibility to improve and enrich the lives of these communities and play a part in their social & economic development and environmental sustainability. With its dedicated and focused approach, the Company has been contributing its time, expertise and resources to help local communities. The Company is committed to focus its CSR activities in and around the areas in which it operates and would support activities in areas beyond on a case-to-case basis.

As a responsible corporate citizen, the Company is committed to sustainable development & inclusive growth and has been and will continue to focus on issues relating to education, healthcare and environment sustainability.

2. Composition of CSR Committee:

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.	Ms. Bhawana Mishra	Non-Executive Independent Director - Chairperson	3	3
2.	Mr. Nakul Toshniwal	Non-Executive Independent Director - Member	3	3
3.	Mr. Ashok Patel	Non-Executive Non-Independent Director - Member	3	3
4.	Mr. Tarak Patel	Managing Director - Member	3	3

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, CSR Policy and CSR projects is available on the Company's website at the following links:

Composition of CSR Committee: https://www.gmmpfaudler.com/about-us/leadership/board-of-directors

CSR Policy: https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf

CSR projects: https://www.gmmpfaudler.com/sustainability/corporate-social-responsibility

4. Provide the details 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 (attach the report): **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-offfrom preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
		NIL	

6. Average net profit of the company as per section 135(5): ₹**122.04 Crores**

7. (a) Two percent of average net profit of the company as per section 135(5): ₹**2.44 Crores**

(b) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years: **Nil.**

(c) Amount required to be set off for the financial year, if any: **Nil**

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹**2.44 Crores**

8. **(a) CSR amount spent or unspent for the financial year:**

Total AmountSpent 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 (in ₹)	Date of transfer	Name of the Fund	Amount.	Date of transfer
1.94 Crores	0.50 Crores	April 23, 2024	None	Nil	Not Applicable

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple-mentation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District						Name	CSR Registra-tion number
1	Renovation of Operation Theatre at Shree Krishna Hospital	Promoting rural Healthcare including preventive healthcare	Yes	Gujarat	Anand	1 year	50,00,000	Nil	50,00,000	No	GMM Pfaudler Foundation	CSR00029127

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (amt in ₹)	Mode of impleme-ntation-Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	Skill Development Program towards annual operating expenses for JV Patel ITI	Promoting education and enhancing vocational skills:	Yes	Gujarat	Anand	25,00,000	No	GMM Pfaudler Foundation	CSR00029127
2.	Infrastructural development at JV Patel ITI	Promoting education and enhancing vocational skills:	Yes	Gujarat	Anand	50,00,000	No	GMM Pfaudler Foundation	CSR00029127

Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (amt in ₹)	Mode of impleme-ntation-Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
3.	Adoption of two Childcare Institutions at Sangli	Promoting education and enhancing vocational skills	No	Mahar-ashtra	Sangli	8,32,222	No	GMM Pfaudler Foundation	CSR00029127
4.	Providing sanitation facilities and basic amenities such as uniforms & school bags to children at Railway Station Primary School	Promoting education and enhancing vocational skills	Yes	Gujarat	Anand	8,00,000	No	GMM Pfaudler Foundation	CSR00029127
5.	Providing drinking water facilities at Saraswathi Vidya Mandir	Promoting education and enhancing vocational skills	Yes	Gujarat	Vatva	3,49,888	No	GMM Pfaudler Foundation	CSR00029127
6.	Project SPARSH 2.0 aims at connecting the last person in villages to appropriate levels of healthcare through trained Village Health Workers (VHWs health centers by and a tertiary care center for critical cases.	Promoting rural Healthcare including preventive healthcare	Yes	Gujarat	Anand	30,00,000	No	GMM Pfaudler Foundation	CSR00029127
7.	Upgradation of Maternity ward at ESIC Hospital	Promoting rural Healthcare including preventive healthcare	Yes	Hyderabad	NA	19,03,674	No	GMM Pfaudler Foundation	CSR00029127
8.	Project "Re(ef) Generate" that aims to pilot the restoration and rehabilitation of corals in the in the Andaman Islands.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	No	Andaman Islands	NA	15,00,000	No	GMM Pfaudler Foundation	CSR00029127
9.	Rescue and rehabilitation of marine life on the Karnataka coast	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	No	Karnataka	Udupi	15,00,000	No	GMM Pfaudler Foundation	CSR00029127
10.	Tree Plantation Drive	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	Yes	Gujarat	Anand	10,48,172	No	GMM Pfaudler Foundation	CSR00029127
		Total				1,84,33,956			

(d) Amount spent in Administrative Overheads: **₹9,73,654**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹2.44 Crores**

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	2,44,07,610
(ii)	Total amount spent for the Financial Year	2,44,07,610
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) 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 ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining tobe spent in succeeding financial year (in ₹)
				Nameof theFund	Amount (in ₹)	Date of transfer.	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name ofthe Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on theproject inthe reporting Financial Year (in₹)	Cumulative amount spentat the end of reporting Financial Year (in ₹)	Status of theproject- Completed/ Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR 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 (in ₹ Crores)	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Infrastructural development at JV Patel ITI Address: Near GMM Pfaudler Ltd., Anand-Sojitra Road, Karamsad, Anand	388325	April 1, 2023 to March 31, 2024	0.50	NA	JV Patel Industrial Training Institute	Near GMM Pfaudler Ltd., Anand-Sojitra Road, Karamsad 388325 Anand
2	Upgrading maternity ward at ESIC Hospital Address: Mallapur Main Road, Nacharam, Hyderabad, Telangana	500076	April 1, 2023 to March 31, 2024	0.19	NA	Employees' State Insurance Corporation (ESIC) Hospital	Mallapur Main Road, Nacharam, Hyderabad - 500076 Telangana
3	Providing drinking water facilities at Vatva Gujarati Saraswathi Vidya Mandir	382445	April 1, 2023 to March 31, 2024	0.03	NA	Vatva Gujarati Saraswathi Vidya Mandir	Near Vatva railway crossing, Vatva GIDC Phase 1, Ahmedabad, Gujarat 382445

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **The Company has budgeted ₹0.50 Crores towards an ongoing project for renovation of an operation theatre at Shree Krishna Hospital, Karamsad. Accordingly, in accordance with section 135(5), the unspent amount is transferred to an Unspent CSR Account of the Company and will be utilized for the identified project within the prescribed timelines.**

For and on behalf of the Board of Directors

Bhawana Mishra
Chairperson - CSR Committee
DIN : 06741655

Tarak Patel
Managing Director
DIN : 00166183

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat.

Annexure 'D'

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To
The Members,
GMM PFAUDLER LIMITED
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by GMM Pfaudler Limited (hereinafter called **'the Company'**). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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 period covering the Financial Year ended March 31, 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, however subject to verification of the audited financial statements for the Financial year ended March 31, 2024 and documents related thereto:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by GMM Pfaudler Limited 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 there under;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings for the financial year under report;
   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
      i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
      iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were **not applicable** to the Company under the financial year under report:
   i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
   iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
   iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with clients; and
   v. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
3. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other laws were specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as applicable to the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under report were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda were sent at least seven days in advance. Further, 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.

As per the minutes of the meetings, all the decisions of the Board were taken unanimously.

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 year under review there were no events that had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH SHAH
PARTNER
Membership. No: F5637
COP. No: 2535
UDIN: F005637F000416564
P.R. Certificate No.: 668/2020

Date: May 22, 2024
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as **Annexure-I** and forms an integral part of this report.

Annexure - I

To
The Members,
GMM PFAUDLER LIMITED
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the information provided to us during 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 check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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 happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, guidelines and standards is 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

JAYESH SHAH
PARTNER
Membership. No: F5637
COP. No: 2535
UDIN: F005637F000416564
P.R. Certificate No.: 668/2020

Date: May 22, 2024
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

Annexure 'E'

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

A. Conservation of energy:

(a) Steps taken or impact on conservation of energy:

1. Implemented VFD in air compressor, scheduled operation & reduced consumption by 1,36,853 KWH/year.
2. Implemented VFD in shot blasting blower application & saved 6,661 KWH of electricity.
3. Achieved annual savings of 64,555 KWH of electricity by installing timers-based LED lights.
4. Its furnace revamped & resulted in savings of 11,056 KWH of electricity.
5. Saved 29,701 KWH of electricity by switching off 3000KVA transformer.
6. Replaced 2 invertor-based welding machine with rectifier base welding machines and reduced 6,440 KWH/annum power consumption.
7. Automatic Power Factor Connection installed in Parts division & Bay 7 Low tension panel to maintain power factor to reduce energy consumption.
8. Replaced 19 three/five-star with eco-friendly gas split AC for power saving.
9. Process improvement initiative resulted in energy savings of 22,00,000 KWH of electricity in Karamsad and 5,10,210 KWH of electricity in Hyderabad.
10. Replaced skylight sheet to improve day lighting in OE bay 2, 3 & 4.
11. Installed day lighting control timers for all the streetlights, parking areas & material & HT switch yards. Saving of 10 KWH per day.
12. Interlocked AC's with furnace to control the unnecessary usage of Air conditioners working in Furnace control panel rooms. Savings of 15 KWH per day.
13. All the office AC's are interlocked with time which work during office hours and automatically switch off between lunch hours. Savings of 8 KWH per day.
14. Improved power factor from 0.91 to 0.99 in GL, Fabrication, Blasting & Compressors by adding capacitor banks which resulted in savings of 35 KWH per day.

(b) Steps taken by the Company for utilizing alternate source of energy:

1. Total Power of about 12.05 Lakh KWH was generated for FY24 from 1MW Roof Top Solar Plant with grid connectivity installed by the Company.

(c) Strategic initiative to improve machine condition & availability:

1. Installed 1 trolley with 40T capacity for job movement in Bay 5 & 6.
2. Purchased 2 E-Tempo to use in store for material movement.
3. Improved machine availability by effective preventive & predictive maintenance (Condition based) for critical equipment & parameters.
4. Inaugurated welding training center for skill development in welders and internal qualification of welders.

(d) Modification/retrofitting of equipment to increase productivity & cost reduction:

1. Retrofitting work done to improve efficiency and minimize breakdown time of the following equipment:
   - 360 KW, 120 KW & 50 KW Electrical furnace.
   - HMC Machine electrical control system.
   - Cooling system installed in 2NG furnace for quality improvement.
2. The shot blasting process was optimized by replacing aluminum oxide grit with steel shot, resulting in a cost savings of ₹2,597,318. This change also reduced hazardous waste generation and allowed for the reuse of steel shots in the shot blasting process.
3. Replaced damaged oil seals in 4 hydraulic cylinders in DAVI plate rolling machine arrested oil leakages.
4. VFD replaced in all motions in F2 7.5 MT and Machine shop 5 MT EOT cranes.
5. Revamping of Clean room for fabrication of specialized/ exotic metal equipment
6. Operating console in CNC Oxyfuel profile cutting machine replaced with new version HMI.
7. Installation of a Flux Recovery System for the SAW process, which allows us to recycle the flux for use in our operations instead of discarding it.

(e) Safety:

1. Installed lifeline system over the roof for safety during Solar system maintenance activity.
2. Hydro testing done for air receiver tank as per statutory requirement.
3. Workplace safety maintained by "5S" implementation & audited by third party.
4. All sites are ISO: 14001 & 45001 certified .
5. Initiated software-based application to report unsafe act & unsafe condition.
6. Replaced rotator panels by new VFD based panels.
7. Developed LOTO station for ease of use to implement.
8. Behavior based safety training given to all employees.
9. Medical checkup of Plant employees is completed for FY24.
10. Safety Orientation Program for New Contract Employees and Visitors.
11. Angle type DSL at F1 Bay EOT cranes replaced with shrouded type DSL for electrical safety.
12. Implementation of a Lock Out Tag Out and Try Out system to ensure safety during maintenance or preventive maintenance activities by isolating energy sources from the system (machine or equipment).
13. Implementation of a Confined Space Work Permit system and provision of a Multi-Purpose Gas Detector to ensure safety during confined space operations.
14. Safety Experience Center – Practical training, live demonstrations, and exhibitions to raise awareness about the importance and proper use of Personal Protective Equipment (PPE).

(f) Capital investment on energy conservation equipment:

Installed Schneider Energy Monitoring system with 25 devices to track the equipment power consumption and to plan conservation activities. With the same application, also monitoring & data logging of Furnace temperatures.

B. Technology absorption:

(i) **The efforts made towards technology absorption:** In house product development team works on product improvement, import substitution and new products.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

1. Cost reduction, import substitution and new products.
2. Steps initiated to improve the product quality and packing. Initiated cost reduction and saved nearly ₹2.5 Crores under the Project Spurthi 2.0.

(iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

(a) The details of technology imported – Natural Gas Furnace

(b) The year of import – 2022

(c) Whether the technology been fully absorbed – Yes.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof – N.A.

C. The expenditure incurred on Research and Development:

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Capital Expenditure	3.15	2.26
Recurring Expenditure	1.09	2.44
Total	4.24	4.70
Total R & D Expenditure as % of Total Turnover	0.41%	0.44%

D. Foreign exchange earnings and Outgo:

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Actual Foreign Exchange earnings	131.62	167.13
Actual Foreign Exchange outgo	50.79	34.89

For and on behalf of the Board of Directors

Mr. Prakash Apte
Chairperson
DIN: 00196106

Mr. Tarak Patel
Managing Director
DIN: 00166183

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat

Annexure 'F'

DISCLOSURE UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Operating Officer, Company Secretary and ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the financial year 2023-24:

Name of Director/ Key Managerial Personnel	Percentage increase in remuneration	Ratio of remuneration of each Director / KMP to Median remuneration of employees
*Mr. Prakash Apte – Non-Executive & Independent Chairperson	N.A.	N.A.
* Mr. Nakul Toshniwal - Non-Executive & Independent Director	N.A.	N.A.
*Ms. Bhawna Mishra - Non-Executive & Independent Director	N.A.	N.A.
*Mr. Vivek Bhatia - Non-Executive & Independent Director	N.A.	N.A.
*#Mr. Harsh Gupta - Non-Executive Director	N.A.	N.A.
*#Mr. Malte Woweries - Non-Executive Director	N.A.	N.A.
*Mr. Ashok Patel - Non-Executive Director	N.A.	N.A.
Mr. Tarak Patel – Managing Director	0.76%	151
Mr. Aseem Joshi - Chief Executive Officer	10.83%	35
Mr. Manish Poddar - Chief Financial Officer	11.75%	20
Ms. Mittal Mehta - Company Secretary & Compliance Officer	21.83%	8

*Entitled for sitting fees.
#Resigned w.e.f. August 18, 2023.

2. **The percentage increase in the median remuneration of employees in the financial year ended March 31, 2024:** 7.00%

   Median remuneration and average percentage increase in salary calculated on the basis of number of employees who were in the employment of the Company throughout the year for better comparison.

3. **The number of permanent employees on the rolls of the Company:** 784

4. **Average percentile increase 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:**

   Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was 8.09%, whereas the increase in the managerial remuneration for the same financial year was 16.55%. Managerial personnel includes Managing Director.

   The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also as per the market trend.

5. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

   Remuneration paid to Directors, Key Managerial Personnel and other employees is as per the remuneration policy of the Company.

Further, in terms of the provisions of sub-rules (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other details of the employees drawing remuneration in excess of the limits set out in these Rules forms part of the Annual Report. In terms of Section 136 of the Companies Act, 2013, this report is being sent to the Members and others entitled thereto, excluding the aforesaid information. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

For and on behalf of the Board of Directors

Mr. Prakash Apte Chairperson DIN: 00196106	**Mr. Tarak Patel** Managing Director DIN: 00166183

Place: Mumbai
Date: May 22, 2024

Registered Office:
Vithal Udyognagar, Anand – Sojitra Road,
Karamsad - 388 325, Gujarat

INFORMATION AT A GLANCE

Particulars	Details
Day, date, and time of AGM	Friday, August 9, 2024 at 12:00 noon (IST)
Mode	Video conference/other audio-visual means
Participation through video conference	https://instavote.linkintime.co.in/
Final dividend record date	August 2, 2024
Final dividend payment date	On or before September 5, 2024
Cut-off date for e-voting	August 2, 2024
E-voting start date and time	August 6, 2024 at 9:00 a.m. (IST)
E-voting end date and time	August 8, 2024 at 5:00 p.m. (IST)
Last date for Speaker registration	August 5, 2024
Last date for sending questions	August 5, 2024
Name and contact details of e-voting service provider and Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd. Mr. Prathamesh Ghugare, Client Relations – Associate E-mail ID: prathamesh.ghugare@linkintime.co.in Tel. No.: 022 - 4918 6000

Report on Corporate Governance

The report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, ("SEBI Listing Regulations"), is furnished below:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

Corporate Governance primarily involves transparency, full disclosure, independent monitoring of the state-of-affairs and being fair to all stakeholders and is a combination of voluntary practices and compliance with laws and regulations.

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company has professionals on its Board of the Directors who are actively involved in the deliberations of the Board on all important policy matters. Your Directors view good Corporate Governance as the foundation for honesty and integrity and recognize these matters to maintain your trust.

It has been, and continues to be, the policy of your Company to comply with all laws governing its operations, to adhere to the highest standard of business ethics and to maintain a reputation for honest and fair dealings. Your Board of Directors recognizes its responsibility to oversee and monitor management and the Company's activities to reasonably assure that these objectives are achieved.

It is paramount that the Company's reputation for integrity and credibility remain at the highest standards for the benefits of all stakeholders, employees, customers and suppliers.

2. APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES:

The governance structure with defined roles and responsibilities comprises the Board of Directors, Committees of the Board and the Management. Corporate Governance at GMM Pfaudler is implemented through robust board governance processes, internal control systems & processes and strong audit mechanisms. These are articulated through the Company's various governance policies, Codes of Conduct, charters of various Committees of the Board and the Company's disclosure and reporting practices.

The shareholders select the Board of Directors, which is tasked with overseeing the Company's operations. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The Board's actions and decisions are aligned with the Company's best interest. It is committed to the objective of sustainably enhancing the Company's value creation. The Board has established several Committees to discharge its responsibilities in an effective manner.

The Chairperson of the Board serves as the primary leader, responsible for upholding and advancing the integrity of the Board. The Chairperson fosters an environment where the Board collaborates harmoniously for the Company's enduring benefit and that of all the stakeholders. The Chairperson provides guidance to the Board to ensure an effective governance structure within the Company.

The Managing Director provides overall direction for effective management of the Company. He is also responsible for corporate strategy, brand equity, planning, external contacts and all-important management matters. In the operations and functioning of the Company, the Managing Director is assisted by the Chief Executive Officer and Chief Financial Officer along with a core group of senior level executives.

The Company Secretary assists the Chairperson and Managing Director in management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation to ensure all timely compliances and other regulatory matters. The Company Secretary serves as a vital liaison between the Board Members and Management, ensuring effective coordination and communication.

3. ETHICS / GOVERNANCE POLICIES:

At GMM Pfaudler, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

Our policies provide an enabling framework that supports the realization of our governance vision and ensures transparency both within our organization and externally.	Scan the QR Code to see our policies
Anti-Corruption Policy	
Anti-Sexual Harassment Policy	
Antitrust Guidelines	
Board Diversity Policy	
Code of Conduct & Ethics Policy	
Code of Conduct for Prevention of Insider Trading	
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	
Corporate Social Responsibility Policy	
Communications Policy	
Dividend Distribution Policy	
Environment Social Governance Policy	
Export Compliance Guidelines	
Familiarization Policy	
Nomination, Remuneration & Evaluation Policy	
Policy for Determining Material Subsidiaries	
Policy on Determination of Material Events	
Policy for Preservation of Documents and Archival of Documents	
Policy on Related Party Transactions	
Policy and Procedure for enquiry in case of Leak/ Suspected leak of Unpublished Price Sensitive Information	
Risk Management Policy & Strategy	
Suppliers' Code of Conduct	
Whistle Blower Policy	

The codes and policies that are required to be disclosed as per the SEBI Listing Regulations are available on the website of the Company at https://www.gmmpfaudler.com/investors/policies-programmes

We have established comprehensive Standard Operating Procedures (SOPs) and processes to ensure the seamless implementation of these policies. These measures serve as the backbone of our commitment to accountability, transparency, and ethical conduct. By adhering to these structured frameworks, we foster a culture of trust and confidence among all stakeholders, reinforcing our commitment to responsible business practices.

4. SCHEDULING OF BOARD AND COMMITTEE MEETINGS:

Minimum four pre-scheduled Board meetings are held annually. Additionally, Board meetings are convened to address the Company's specific needs. In case of business exigencies or urgency, resolutions are passed by circulation. The maximum gap between any two consecutive meetings was not more than 120 (one hundred and twenty) days, as stipulated under Section 173(1) of the Companies Act, 2013, ("Act"), Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India. Also, necessary quorum was present for all the meetings. The Managing Director and the Company Secretary, determine the agenda for every meeting in consultation with the Chairperson of the Board of Directors and the respective Committees.

In order to facilitate effective discussions at the meeting of the Board of Directors, the agenda is bifurcated into items requiring approval and items which are to be taken note by the Board.

The agenda along with explanatory notes are circulated to Directors in advance. All Board and Committee meetings' agenda papers are disseminated electronically on a real-time basis, by uploading them on a secured online application specifically designed for this purpose, thereby eliminating circulation of printed papers.

5. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS:

The Company Secretary records minutes of proceedings of each of the Board and Committee meetings. Draft minutes, after consultation with the chairperson of the respective committees and the Board are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of Company Secretaries of India. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

6. POST MEETING FOLLOW-UP MECHANISM:

The established guidelines for Board/Committee meetings streamline the process of reviewing decisions and reporting outcomes post-meeting, enhancing the effectiveness of follow-up actions.

Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board / Committees for noting.

7. COMPLIANCE:

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), ensures adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, SEBI Listing Regulations and Secretarial Standards issued by the ICSI.

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information including any statutory requirements and other necessary supporting documents are made available to the Directors and senior management in a concise manner for effective decision-making at the meetings.

8. BOARD OF DIRECTORS:

a) **Composition of the Board:** The Board has an optimum combination of Executive, Non-Executive and Independent Directors, including an Independent Woman Director in conformity with the composition requirements as per Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements. As on March 31, 2024, the Board comprised of 6 (Six) Directors, out of which 5 (Five) are Non-executive Directors including 4 (Four) Independent Directors. The Chairperson of the Company is an Independent Director.

The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The Company also has a succession plan in place for the Board, Key Managerial Personnel and Senior Management of the Company.

The profiles of Directors available at https://www.gmmpfaudler.com/about-us/leadership/board-of-directors give an insight into the educational qualifications, expertise, skills and experience of the Board members, thus bringing diversity to the Board's deliberations.

b) **Number and dates of Board meetings held during the financial year ended March 31, 2024:** 7 (Seven) Board Meetings were held during the financial year on April 25, 2023, May 25, 2023, August 10, 2023, November 9, 2023, December 20, 2023, January 31, 2024 and February 1, 2024.

c) **Details of composition of the Board of Directors, attendance at the Board meetings, Annual General Meeting shareholding, other Directorship and Committee positions held in other Companies of each Director as on March 31, 2024:**

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company$	Number of Directorships in other Companies**	Number of Committee positions held in other Companies%
		Board Meetings	Last Annual General Meeting			
Mr. Prakash Apte (Chairperson)	Non-Executive, Independent Director	7	Yes	Nil	5	7
Mr. Nakul Toshniwal	Non-Executive, Independent Director	7	Yes	Nil	1	Nil
Ms. Bhawana Mishra	Non-Executive, Independent Director	7	Yes	Nil	Nil	Nil
Mr. Vivek Bhatia	Non-Executive, Independent Director	7	Yes	Nil	Nil	Nil

Name of Director	Category of Directorship	Attendance at		Number of Equity shares held in the Company$	Number of Directorships in other Companies**	Number of Committee positions held in other Companies%
		Board Meetings	Last Annual General Meeting			
Mr. Harsh Gupta#^	Non-Executive Director	3	N.A.	Nil	1	Nil
Mr. Malte Woweries#^	Non-Executive Director	3	N.A.	Nil	Nil	Nil
Mr. Ashok Patel *	Non-Executive Director	7	No	851,940@	2	Nil
Mr. Tarak Patel *	Executive Director (Managing Director)	7	Yes	521,880	1	Nil

Representing Foreign Promoters.
* Indian Promoters.
$ The Company has not issued any convertible debentures.
@ Includes 831,705 equity shares held as Karta of Ashok Patel HUF.
Ms. Shilpa Nirula was appointed as an Independent Director on the Board w.e.f. May 22, 2024.
^ Resigned from the Board w.e.f. August 18, 2023.
** Includes directorships in public companies. Does not include directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013.
% Includes Memberships in Audit Committees and Stakeholders Relationship Committees only in accordance with Regulation 26(1) of the SEBI Listing Regulations.

d) Chart setting out the type of directorships held in other public listed companies:

Name of Director	Directorships in other Companies as on March 31, 2024	Type of Directorships
Mr. Prakash Apte	• Fine Organic Industries Ltd. • Blue Dart Express Ltd.	Independent Director
Mr. Nakul Toshniwal	• Cravatex Ltd.	Independent Director
Ms. Bhawana Mishra	Nil	Not Applicable
Mr. Vivek Bhatia	Nil	Not Applicable
Mr. Ashok Patel	• Skyline Millars Ltd.	Non-Executive Director
Mr. Tarak Patel	Nil	Not Applicable

Pursuant to the provisions of Section 165(1) the Companies Act, 2013 and Regulations 26(1) & 17A of the SEBI Listing Regulations, none of the Directors:

- hold Directorships in more than 20 companies (Public or Private),
- hold Directorships in more than 10 public companies,
- hold Membership of Board Committees (Audit & Stakeholders Relationship Committees) in excess of 10 and Chairpersonship of Board Committee in excess of 5,
- serve as Director in more than 7 listed companies,
- serve as Independent Director in more than 7 listed companies, and
- who serve as Managing Director/Whole Time Director in any listed company serves as Independent Director in more than 3 listed companies.

e) Disclosure of relationships between Directors inter-se: Mr. Ashok Patel, Director is the father of Mr. Tarak Patel, Managing Director of the Company. Other than this, none of the, and other Directors are related to each other.

f) Resignation of Independent Director from the Board of the Company:

During the year under review, there was no resignation of any Independent Director.

g) Matrix setting out the core skills/expertise/competence of the Board of directors:

The Board skill matrix provides a guide as to the core skills, expertise, competencies and other criteria (collectively referred to as 'skill sets') considered appropriate by the board of the Company in the context of its business and sector(s) for it to function effectively and those actually available with the Board. The skill sets will keep on changing as the organization evolves and hence the Board may review the matrix from time to time to ensure that the composition of the skill sets remains aligned to the Company's strategic directions. The Board has identified the core skills/ expertise/competencies of the Directors in the context of the Company's business for effective functioning and the manner in which the current Board of Directors fulfils these skills/expertise/ competencies has been outlined as under:

Name of Director	Area of expertise
Mr. Prakash Apte	Global business & Strategy, Finance, Agriculture, Rural Economy & Management
Mr. Nakul Toshniwal	Public Policies, Technology and General Management, Business Strategy and Finance
Ms. Bhawana Mishra	Talent and Leadership Development, Strategic Change and Organizational Transformation Specialist
Mr. Vivek Bhatia	Finance, Business Strategy and extensive business experience across mining, metals & mineral processing, cement, power and engineered capital goods
Mr. Ashok Patel	International Business, Finance Strategy, Technology and General Management
Mr. Tarak Patel	International Business, Finance, Strategy, Marketing and General Management and Administration
Ms. Shilpa Divekar Nirula#	International Business, Finance, Strategy, Technology and General Management
Mr. Harsh Gupta*	P&L Management, Sales & Marketing, Mergers & Acquisitions, and Corporate Planning & Strategy
Mr. Malte Woweries*	Finance, Mergers & Acquisitions, Strategy and Financial Planning, Investor Communication

#Appointed on the Board w.e.f. May 22, 2024.
*Resigned w.e.f. August 18, 2023.

9. COMMITTEES:

Details of the Committees and other related information are provided hereunder:

Composition of Committees of the Company as on date:

AUDIT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
4.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member

*Appointed w.e.f. May 22, 2024.

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Prakash Apte	Non-Executive - Independent Director	Chairperson
2.	Mr. Tarak Patel	Managing Director	Member
3.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member

NOMINATION & REMUNERATION COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive - Independent Director	Member
3.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Ms. Bhawana Mishra	Non-Executive - Independent Director	Chairperson
2.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
3.	Mr. Ashok Patel	Non-Executive Director	Member
4.	Mr. Tarak Patel	Managing Director	Member

RISK MANAGEMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Vivek Bhatia	Non-Executive - Independent Director	Chairperson
2.	Mr. Prakash Apte	Non-Executive – Independent Director	Member
3.	Mr. Tarak Patel	Managing Director	Member
4.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member
5.	Mr. Ashok Patel	Non-Executive Director	Member

*Appointed w.e.f. May 22, 2024.

ALLOTMENT COMMITTEE:

Sr. No.	Name of Director	Category of Directorship	Position in Committee
1.	Mr. Nakul Toshniwal	Non-Executive - Independent Director	Member
2.	Mr. Tarak Patel	Managing Director	Member
3.	Ms. Shilpa Divekar Nirula*	Non-Executive - Independent Director	Member

*Appointed w.e.f. May 22, 2024.

Ms. Mittal Mehta, Company Secretary & Compliance Officer is the Secretary of all the Committees.

10. MEETINGS OF COMMITTEES HELD DURING THE YEAR AND DIRECTORS' ATTENDANCE:

Committees of the Company	Audit Committee	Stakeholders Relationship Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee	Risk Management Committee
Meetings held	4	2	2	3	2
Director's attendance					
Mr. Prakash Apte	4	2	2	N.A.	2
Mr. Nakul Toshniwal	4	N.A.	2	3	N.A.
Ms. Bhawana Mishra+	N.A.	1	2	3	N.A.
Mr. Vivek Bhatia	3	N.A.	N.A.	N.A.	2
Mr. Harsh Gupta #	N.A.	1	1	N.A.	N.A.
Mr. Malte Woweries #	2	N.A.	N.A.	N.A.	1
Mr. Ashok Patel	N.A.	N.A.	N.A.	3	2
Mr. Tarak Patel	N.A.	2	N.A.	3	1

+ Bhawana Mishra was inducted as a Member of the Stakeholders Relationship Committee w.e.f. August 18, 2023.
# Resigned from the Board w.e.f. August 18, 2023.

11. PROCEDURE AT COMMITTEE MEETINGS:

The Company's guidelines relating to Board meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Draft minutes of proceedings of Committee meetings are circulated to the respective committee members for their comments as prescribed under Secretarial Standard-1 issued by the Institute of Company Secretaries of India and minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The said minutes are also subsequently placed before Board meetings for noting.

12. TERMS OF REFERENCE AND OTHER DETAILS OF COMMITTEES:

A. AUDIT COMMITTEE:

The Committee's Composition, Terms of Reference as well as Powers are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Members of the Audit Committee possess the requisite qualifications and expertise.

The composition of the Committee is given in Point No. 9 of this Report. During the year under review, Mr. Malte Woweries, Non-Executive Director ceased to be a member of the Audit Committee due to his resignation w.e.f. August 18, 2023.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting details:

The Audit Committee met 4 (Four) times during the year under review viz. May 25, 2023; August 10, 2023, November 9, 2023 and February 1, 2024. The quorum was present at all the meetings. The minutes of the Audit Committee Meetings were taken on record at the Board Meetings. Further, representatives of the Statutory Auditors are invited to attend meetings of the Committee. The Committee also invites the Managing Director, Chief Financial Officer and Internal Auditors as and when their presence at the meeting of the Committee is considered appropriate. In addition, other senior management personnel are also invited to the Committee meeting(s) from time to time, for providing such information as may be necessary.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on September 5, 2023.

In line with the terms of reference, during the year, the Audit Committee, at its meetings, reviewed operations and audit reports for businesses pursuant to audits undertaken by internal auditors under the audit plan approved at the commencement of the year. The quarterly financial results were reviewed by the Committee before submission to the Board. The Committee reviewed the adequacy of internal financial controls on a Company-wide basis and provided recommendations on internal control processes to the Board. The Committee also reviewed the system and processes in place for risk management, insider trading compliance and information security.

Scope:

The Powers and Role of the Audit Committee is as follows:

A. Powers & Role of the Audit Committee:

Powers of the Audit Committee:

a) To investigate any activity within its terms of reference or such matter as may be referred to it by the Board and for this purpose obtain professional advice from external sources and have full access to information contained in the records of the Company;

b) To seek information from any employee;

c) To obtain outside legal or other professional advice; and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee:

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Company's financial statement is correct, sufficient and credible;

2) Recommendation for 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 auditors' 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 section 134(3)(c) 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 the financial statements;

f) disclosure of any related party transactions; and

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, preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;

8) Approval or any subsequent modification of transactions of the Company with related parties in accordance with the Company's policy on related party transactions;

9) Scrutiny of inter-corporate loans and investments;

10) Valuation of undertakings or assets of the Company, wherever it is necessary, in consultation with external professional advisors, as deemed fit by the Audit Committee;

11) Evaluation of internal financial controls and risk management systems of the Company;

12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems of the Company;

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) Discussion with internal auditors of any significant findings and follow up thereon;

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) Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and systems for internal control with them;

17) Discussion with statutory auditors before the commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

18) 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;

19) To review the functioning of the whistle blower mechanism and the vigil mechanism instituted by the Company. The vigil mechanism to provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit Committee or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases;

20) To approve the appointment of the Chief Financial Officer of the Company (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;

21) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.

22) To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor;

23) To review the following information as prescribed under Regulation 18(3) of the Listing Regulations:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c) Management letter/ letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses; and

e) The appointment, removal and terms of remuneration of the chief internal auditor.

f) 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).

24) To approve all the Related Party Transactions to be entered into by the Company and subsequent modifications if any and grant omnibus approval for the Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the company and such approval shall be applicable in respect of transactions which are repetitive in nature.

b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;

c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price/current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transactions cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹1 Crores per transaction.

d) Audit Committee shall review, at least on a quarterly basis, the details of RPT's entered into by the Company pursuant to which the omnibus approval was given.

e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approval after the expiry of one year.

25) To review financial statements of, and investments made by, unlisted subsidiaries of the Company in accordance with Regulation 24(2) of the SEBI Listing Regulations;

26) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 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.

27) To carry out any other functions as may be specified by the Board from time to time.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Composition, Role, Terms of Reference as well as Powers of the Stakeholders Relationship Committee of the Company meet the requirements of Section 178 of the

Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The composition of the Committee is given in Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive Director ceased to be a member of the Stakeholders Relationship Committee due to his resignation w.e.f. August 18, 2023.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer / transmission and other matters related to listed securities and redressal of shareholders'/ investors' complaints.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Meeting Details:

The Stakeholders Relationship Committee met two times during the year under review i.e. May 25, 2023 and November 9, 2023. The minutes of the Stakeholders Relationship Committee Meetings were noted at the Board Meetings.

The Chairperson of the Committee was present at the previous Annual General Meeting of the Company held on September 5, 2023.

Summary of Grievances:

A summary of complaints received and resolved by the Company to the satisfaction of the shareholders/ investors during the year 2023-24, is given below:

Particulars	Number
Pending at the beginning of the year under review	0
Received during the year under review	1
Resolved during the year under review	1
Pending at the end of the year under review	0

Role of Stakeholders Relationship Committee:

1) Resolve the grievances of the security holders, including complaints related to transfer, transmission and transposition of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate share certificates, etc. in a time bound manner;
2) Review of measures taken for effective exercise of voting rights by shareholders.
3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & 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.
5) To delegate the power of share transfers to an officer of the Company or to the registrar and share transfer agents of the Company, such that the delegated authority shall attend to share transfer formalities at least once in a fortnight and submit details of the same at the earliest to the Stakeholders Relationship Committee, with the objective of expediting the process of share transfers;
6) To ensure quick redressal of the complaints of all shareholders;
7) To maintain cordial relations with the shareholders and other security holders;
8) To address such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Stakeholders Relationship Committee;
9) To monitor at the end of every quarter, the number of grievances received, pending or not solved to the satisfaction of shareholders; and
10) To carry out any other functions as may be specified by the Board from time to time.

C. Nomination and Remuneration Committee:

The Composition, Role, Terms of Reference as well as Powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The composition of the Committee is given at Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive Director ceased to be a member of the Nomination & Remuneration Committee due to his resignation w.e.f. August 18, 2023. The quorum was present at all the meetings. There were no other changes in the composition of the Nomination & Remuneration Committee during the year under review.

Meeting Details:

The Nomination and Remuneration Committee met two times during the year under review i.e. May 25, 2023 and January 31, 2024. The minutes of the Nomination and Remuneration Committee Meetings were noted at the Board Meetings.

Compliance Officer:

Ms. Mittal Mehta, Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations.

Role of Nomination and Remuneration Committee:

1) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees of the Company. The said policy will be disclosed in the Board's report. The Nomination and Remuneration Committee shall, while formulating the aforesaid policy, to ensure that:
   a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
   b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
   c) remuneration to Executive Directors, Key Managerial Personnel and Senior Management of the Company involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
2) To consider the following while approving the remuneration payable to a Manager, Managing Director or a Whole Time Director under Section II or Section III of Part II of Schedule V to the 2013 Act and section 197 of the 2013 Act:
   a) take into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.;
   b) to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.
3) To formulate the evaluation criteria for performance evaluation of Independent Directors and the Board;
4) To devise a policy on Board diversity;
5) To identify suitable candidates for directorship including Independent directors and senior management of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal;
6) To ensure that on appointment to the Board, Independent Directors receive a formal letter of appointment setting out clearly what is expected from them in terms of time-committee, committee service and involvement outside meetings of the Board;
7) To determine whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of the Independent Directors;
8) To recommend to the Board, the plans for orderly succession for appointments to the Board and to senior management of the Company;
9) To recommend to the Board, all remuneration in whatever form, payable to Senior Management;
10) To consider any other matters as may be requested by the Board.

Performance evaluation criteria for independent directors:

Pursuant to the provisions of the Companies Act, 2013, and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

Major Evaluation criteria, amongst other criteria, applied are:

(a) For Independent & Non – Executive Directors:

i. Functional Expertise, knowledge and skills

ii. Professional conduct;

iii. Duties, roles and functions;

(b) For Executive Directors

i. Performance as Team Leader/ Member;

ii. Evaluating Business Opportunity and analysis of Risk Reward Scenarios;

iii. Key set Goals/ KRA and achievements;

iv. Professional Conduct, Integrity;

v. Sharing of Information with the Board.

The Directors were satisfied with the evaluation process undertaken during the year. Further, in the opinion of the Board, all the Independent Directors possess utmost integrity, professional expertise and requisite experience including proficiency.

With the increase in size and scale of business of the Company, it was felt prudent to enhance the focus of the Board on the right areas to make it more effective and engaged, discern more sharply the areas to focus on that complement the management, and to articulate the agenda as also the culture we wish to create at the Board and the various sub-committees, moving forward. With this objective, the Company had initiated a Board effectiveness and engagement program and the findings were implemented.

Remuneration of Managing Director:

Remuneration of the Managing Director is recommended by the Nomination and Remuneration Committee, fixed by the Board and approved by the shareholders. The remuneration paid to Mr. Tarak Patel for the year ended March 31, 2024 was as under:

(₹ in Crores)

Sr. No.	Particulars	Amount
1.	Gross Salary	5.13
2.	Perquisites	0.01
3.	Commission	2.83
4.	Retiral Benefits	0.11
	Total	**8.08**

Payment of Commission to the Managing Director is based on the performance criteria defined by the Committee and approved by the Board.

Non-Executive Director's Compensation*:

The Non-executive Directors are paid sitting fees on a uniform basis for attending meetings of the Board and the Committees. Pursuant to the approval of the Shareholders at the 60th Annual General Meeting held on September 5, 2023, the Company has paid Commission to the Non-Executive Directors (excluding Directors forming a part of the Promoter group). Apart from the said payments, there are no pecuniary relationships or transactions of the Non-Executive Directors with the Company.

Details of *remuneration paid to Non-Executive Directors for the financial year ended March 31, 2024 are as follows:

(In ₹)

Sr. No.	Director	Sitting Fees	Commission
1	Mr. Prakash Apte	15,50,000	13,00,000
2	Mr. Nakul Toshniwal	14,50,000	13,00,000
3	Ms. Bhawana Mishra	11,00,000	13,00,000
4	Mr. Ashok Patel^	10,00,000	N.A.
5	Mr. Vivek Bhatia	12,00,000	13,00,000
6	Mr. Harsh Gupta#	4,25,000	5,00,000
7	Mr. Malte Woweries#	5,75,000	5,00,000

*Remuneration to Non-executive Directors is capped at a ₹35,00,000 per Director including sitting fees & commission up to FY25

^Not eligible for commission being part of the Promoter group

#Proportionate commission for their tenure of approximately 5 months in FY24 as they resigned from the Board on August 18, 2023.

Non-Executive Directors were paid sitting fees for attending the meetings of the following Statutory Committees during the financial year ended March 31, 2024 as under:

a) ₹ 1,00,000 as sitting fees for each meeting of the Board of Directors and the Audit Committee

b) ₹ 75,000 as sitting fees for each meeting of the Nomination and Remuneration Committee and Risk Management Committee.

c) ₹50,000 as sitting fees for each meeting of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Allotment Committee.

The Company does not have any stock option scheme provided to Directors of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board in compliance with the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 constituted a Corporate Social Responsibility Committee (CSR Committee). The Composition, Role, Terms of Reference as well as Powers of the CSR Committee are in compliance with the provisions of the Companies Act, 2013.

The composition of Committee is given at Point No. 9 of this Report. There were no changes in the composition of the CSR Committee during the year under review.

Meeting Details:

The CSR Committee met on three occasions viz. May 25, 2023, November 9, 2023 and January 31, 2024. The minutes of the CSR Committee Meetings were noted at the Board Meeting.

Role of Corporate Responsibility Committee:

1) To formulate and recommend to the Board, the Corporate Social Responsibility Policy of the Company ("CSR Policy") which shall include inter alia, CSR activities (defined hereunder) to be undertaken by the Company, and the modalities of execution monitoring and implementation schedules of the same. The policy to specify that the surplus arising out of the CSR Activities (defined hereinafter) shall not form part of the business profit of the Company;

2) To identify the CSR projects/activities/ programs to be undertaken by the Company ("CSR Activities"), in alignment with the CSR Policy, Schedule VII of the 2013 Act and the CSR Rules, as amended from time to time;

3) To recommend the amount of expenditure to be incurred by the Company on the CSR Activities for each financial year;

4) To institute a transparent monitoring mechanism for monitoring progress/status of implementation of CSR Activities;

5) To receive reports and review activities from executive and specialist groups managing CSR Activities;

6) To monitor the CSR Policy from time to time and revise the same, wherever necessary;

7) To issue a responsibility statement confirming that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company;

8) To prepare an annual report on CSR Activities to be included in the Board of Director's Report in the form provided in the Annexure to the Companies (Corporate Social Responsibility Policy) Rules, 2014.

9) To report the CSR activities undertaken by the Company in the manner prescribed under Segment C of the Form AOC-3 of the Companies (Accounts) Rules, 2014; and

10) To carry out such other functions, as may be prescribed under the 2013 Act or CSR Rules or as may be delegated by the Board from time to time.

The Company has established a CSR Foundation under the name of GMM Pfaudler Foundation (Section 8 Company) a wholly owned subsidiary of the Company. The Foundation focuses on various CSR activities in accordance with our Company's CSR policy. All programs and activities undertaken as a part of CSR have a clear objective to create sustained impact in the most efficient manner.

E. RISK MANAGEMENT COMMITTEE:

The Board in compliance of Regulation 21 of the SEBI Listing Regulations, constituted a Risk Management Committee (RMC). The Composition, Role, Terms of Reference as well as Powers of the Risk Management Committee are in compliance with the provisions of the SEBI Listing Regulations.

The composition of Committee is given at Point No. 9 of this Report. Mr. Malte Woweries, Non-Executive Director ceased to be a member of the Risk Management Committee due to his resignation w.e.f. August 18, 2023.

Meeting Details:

The Risk Management Committee met twice on July 11, 2023 and December 20, 2023. The minutes of the Risk Management Committee Meetings were noted at the Board Meetings.

Role of Risk Management Committee:

1) To formulate a detailed risk management policy which shall include:

    (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

    (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

    (c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC

7) The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

8) To perform other activities related to the risk management policy as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

The Company has a Risk Management policy to ensure sustainable growth of the organisation and to promote pro-active approach in evaluating, mitigating, and reporting such risks associated with the business. The policy establishes a structured and disciplined approach to Risk Management in order to guide decisions on business risk issues. The Company has developed a Risk Management Framework with an objective to enhance value of the Company and to the stakeholders (internal and external) by ensuring Company's business and growth objectives are protected.

The RMC facilitates implementation of Risk Management Policy and Framework. RMC also apprises the Board about the evolving changes in the risk universe (landscape) and recommends actions to be taken.

A sub-committee of the RMC named Executive Risk Management Council (ERMC) consistently monitors and records changes in the business environment, threats and factors impacting the risk profile of the Company. The ERMC tracks and reports the implementation of the risk mitigation plans to the RMC who in turn reports to the Board of Directors. The ERMC consists of the Managing Director, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer (CRO), Manufacturing Head, Enabling Function Heads (HR, IT, other function heads). The CRO works closely with the ERMC and Risk Owners to identify risks and facilitate development of risk mitigation plans.

F. ALLOTMENT COMMITTEE:

The Board constituted an Allotment Committee of the Board of Directors of the Company for the purpose of allotment of Bonus Shares to the Shareholders. Further, the Board has extended the powers of the Allotment Committee in respect of corporate actions of the Company to be undertaken from time to time.

The Composition of Committee is given at Point No. 9 of this Report. During the year under review, Mr. Harsh Gupta, Non-Executive Director, ceased to be a member of the Allotment Committee due to his resignation w.e.f. August 18, 2023.

Meeting Details:

There were no meetings of the Allotment Committee held during the year under review.

Role of Allotment Committee:

1) To approve allotment of shares through bonus issue, preferential issue, private placement, rights issue, qualified institutional placements to eligible investors and/or identified investors;

2) To authorize various officers and consultants to give effect to the allotment(s).

13. INDEPENDENT DIRECTORS MEETING:

In terms of requirements of the Companies Act 2013, Rules framed there under and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of Independent Directors was held on May 25, 2023 to discuss:

a) Evaluation of the performance of non-independent directors and the Board of Directors as a whole;

b) Evaluation of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Chairperson.

c) Evaluation of the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

14. INDUCTION AND FAMILIARIZATION PROGRAM FOR DIRECTORS:

On appointment, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director & CEO and other functional heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director.

The details of the familiarization programmes imparted to the Independent Directors is available on the Company's website at https://www.gmmpfaudler.com/file/Familiarization_Programme_FY24.pdf

15. CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct & Ethics Policy ('the Code') applicable to the Directors and all Employees. The Code is applicable to Non-Executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support required for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. integrity, customer value, cost consciousness, social responsibility, transparency, and accountability.

The Code has been put up on the Company's website and can be accessed at https://www.gmmpfaudler.com/file/GMMCOC.pdf. The Code has been circulated to Directors and employees, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chief Executive Officer forms a part of this Report.

16. KEY MANAGERIAL PERSONNEL (KMP) & SENIOR MANAGERIAL PERSONNEL (SMP) OF THE COMPANY:

The list of KMP & SMP of the Company as on date:

Name	Designation	Remarks
Mr. Tarak Patel	Managing Director	KMP
Mr. Thomas Kehl	Chief Executive Officer – International Business	SMP
Mr. Aseem Joshi	Chief Executive Officer – India Business	KMP
Mr. Alexander Pömpner	Chief Financial Officer – International Business	SMP
Mr. Manish Poddar	Chief Financial Officer – India Business	KMP
Ms. Mittal Mehta	Company Secretary & Compliance Officer	KMP

17. GENERAL BODY MEETINGS:

The details of Annual General Meetings ("AGM") of Company held during preceding years are as follows:

Year	AGM	Date of Meeting	Time of Meeting	Venue	Special Resolutions passed
2020-21	58th	August 13, 2021	4 p.m.	Held through Video Conference and / or other audio-visual means facilities	2
2021-22	59th	September 19, 2022	12 noon		-
2022-23	60th	September 5, 2023	12 noon		1

Since the Annual General Meetings were held by way of video conferencing facilities, all resolutions, including the special resolutions at the said meetings were passed by way of electronic voting i.e. remote e-voting and e-voting at the Annual General Meeting.

Details of Special Resolutions passed at each of the AGM:

- 2022-23 for payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company, for balance period of his term up to May 31, 2025.
- 2020-21 for approval adoption of the amended Articles of Association of the Company and revision in the payment of remuneration to Mr. Tarak Patel as the Managing Director of the Company.

Extraordinary General Meeting:

No Extraordinary General Meeting of shareholders was held during the financial year 2023-24.

Postal Ballot:

During the year under review, Postal Ballot Notice containing a Resolution together with the Explanatory Statement was emailed to all the Shareholders on Tuesday, April 11, 2023. The remote e-voting period commenced from 9:00 a.m. (IST) on Wednesday, April 12, 2023 and ended at 5:00 p.m. (IST) on Thursday, May 11, 2023. The Managing Director and the Company Secretary were responsible for postal ballot process. Mr. Jayesh M. Shah, (FCS 5637) Partner of M/s. Rathi & Associates, Company Secretaries, Mumbai was appointed as the Scrutinizer for conducting the postal ballot exercises in a fair and transparent manner. The scrutinizer submitted his report dated May 12, 2023 and on the basis of the report of the Scrutinizer on e-voting done by the members, the following resolution as set out in the Postal ballot notice dated April 11, 2023 was duly passed by the Shareholders of the Company with requisite majority:

Resolution No. 1 as a Special Resolution for the re-appointment of Mr. Nakul Toshniwal (DIN: 00350112) as an Independent Director of the Company for a second term of five consecutive years w.e.f. May 16, 2023 up to and including May 15, 2028.

Details of voting pattern of the above mentioned resolutions are as under:

Resolution No.	Total number of valid Votes	No. of Shares in favour of resolution	Percentage (%)	No. of Shares against the resolution	Percentage (%)
1	3,07,01,728	3,04,96,256	99*	2,05,472	1*

*Decimals more than two have been rounded off.

18. MEANS OF COMMUNICATION:

a) **Quarterly Results:** The Company's quarterly / half-yearly / annual financial results are submitted to the Stock Exchanges where the shares are listed and published in the 'Economics Times' – English language (Mumbai and Ahmedabad) and 'Naya Padkar' – Gujarati language (Anand). Simultaneously, they are also displayed on the Company's website at https://www.gmmpfaudler.com/investors/financial-results-reports/financial-results

b) **News Releases, Presentations, etc.:** Official news releases and presentations made to institutional investor, financial analysts, etc. are displayed on the Company's website at https://www.gmmpfaudler.com/investors/financial-results-reports/investor-presentations as well as sent to the Stock Exchanges. No unpublished price sensitive information is discussed in meetings/ presentations with institutional investors and financial analysts.

c) **Website:** The Company's website www.gmmpfaudler.com contains a separate dedicated section 'Investor Relations' where Shareholders' information is made available and such other information as may be required to be uploaded on the website of the Company in compliance/ accordance with Regulation 46 of the SEBI Listing Regulations as amended from time to time.

d) **Annual Report:** The Annual Report containing, *inter alia,* Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Company's Annual Report is available in downloaded form on the Company's website and can be accessed on the Company's website and can be accessed at https://www.gmmpfaudler.com/investors/financial-results-reports/annual-reports

e) **Reminder to Investors:** Reminder for unclaimed shares and unpaid dividend are sent to the shareholders as per records one month in advance of the due date to transfer of Investor Education and Protection Fund.

f) **BSE Corporate Compliance & Listing Centre ("Listing Centre"):** BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the Listing Centre.

g) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodic compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on NEAPS.

h) **SEBI Complaints Redress Systems (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of the system are: centralized database of all complaints, online upload of Action Taken Report (ATR's) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

i) **Designated Exclusive email ID:** The Company has a designated email ID exclusively for investor services: investorservices@gmmpfaudler.com

j) **Green Initiative:** The Company sends all correspondence/communications through email to those shareholders who have registered their email id with their depository participant's/Company's RTA. Also, the Company has its online application where all agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis.

19. OTHER DISCLOSURES:

i) Whistle Blower Policy:

The Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct and Ethics Policy or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. This gives a platform to the whistleblowers to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. For an effective implementation of the policy, the Company has constituted Ethics Committee which is responsible for conducting inquiries received under this Policy.

A whistleblower can make a complaint in any of the following ways:

a) by writing to the compliance officer at compliance@gmmpfaudler.com

b) In exceptional cases, the complainant can directly report his/her complaint to the Chairperson of the Audit Committee by e-mail to chairman.auditcommittee@gmmpfaudler.com or by letter addressed to the Audit Committee, marked "Private and Confidential", and delivered to the Chairperson of the Audit Committee, GMM Pfaudler Ltd, 902 VIOS Tower, Sewri-Chembur Road, New Cuffe Parade, Mumbai - 400037.

It is hereby affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy is placed on the website of the Company and web-link to the same is as under: https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf

The confidentiality of such reporting is maintained, and the whistleblower is protected from any discriminatory action.

ii) **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH").

Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, the Company has received one complaint under POSH. The IC duly investigated and resolved the complaint in accordance with the relevant provisions. As of date, there are no pending complaints under POSH.

iii) **Compliance:**

There was no non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

iv) **Details of Compliance with Mandatory requirements and adoption of Non-mandatory requirements:**

- **Mandatory requirements:**

  The Company has complied with the mandatory requirements of SEBI Listing Regulations with regard to Corporate Governance.

- **Non-Mandatory requirements:**

  a. Office for non-executive Chairperson at company's expense: **Not Applicable**

  b. Modified opinion(s) in Audit Report: **Complied as there are no modified opinion in Audit Report**

  c. The Chairperson of the Board is an Independent Director and his position is separate from that of the Managing Director and the Chief Executive Officer: **Complied**

  d. Reporting of Internal Auditors directly to Audit Committee: **Complied**

v) **Disclosure of commodity price risks and commodity hedging activities:**

The details are provided at point no. (l) of Management Discussion & Analysis of this report.

vi) **Related Party Transactions:**

During the year under review:

a) All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act;

b) There were no contracts or arrangements entered into by the Company under Section 188(1) of the Act; and

c) There were no materially significant related party transaction that may have potential conflict with the interest of the Company at large.

Necessary disclosures as required by the Indian Accounting Standards (Ind AS 24) have been made in the Annual Report.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under the SEBI Listing Regulations is as under: https://www.gmmpfaudler.com/file/PolicyonRelatedPartyTransactions.pdf

vii) **Certificate from a company secretary in practice:**

A Certificate has been received from M/s. Rathi & Associates, Practicing Company Secretaries confirming 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 Securities and Exchange Board of India/ Ministry of Corporate Affairs/ Reserve Bank of India or any such statutory authority. The same is annexed to this Report.

viii) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI Listing Regulations:**

Not Applicable.

ix) **Instances of not accepting any recommendation of the Committee by the Board:**

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

x) **Fees to the Statutory Auditors of the Company:**

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part, is given below:

(₹ in Crores)

Audit Fees	12.64
Other services	3.95
Total	**16.59**

xi) **Disclosure of Loans and Advances:**

The Company and its subsidiaries has not advanced any loans to firms / Companies in which the Directors of the Company are interested.

xii) **Details of material subsidiaries:**

Sr. No.	Name	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment
1.	GMM International S.a.r.l., Luxembourg	August 19, 2020	Luxembourg	Deloitte Luxembourg	November 8, 2023
2.	GMM Pfaudler US Inc.	October 21, 2020	US	N.A.	N.A.
3.	Pfaudler GmbH, Germany	September 27, 1907	Germany	Deloitte GmbH	September 1, 2013
4.	Pfaudler Ltd., UK	November 20, 1987	UK	Deloitte LLP	September 1, 2014
5.	Pfaudler (Chang Zhou) Process Equip. Co. Ltd., China	March 29, 1996	China	Suzhou Yixin Certified Public Accountants	December 31, 2020
6.	Pfaudler S.r.l, Italy	October 8, 1997	Italy	Deloitte & Touche S.p.A.	January 1, 2015
7.	Mavag AG, Switzerland	January 4, 2008	Switzerland	OBT Limited	December 9, 2015

xiii) **Disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements), 2015:**

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46(2)(b)	Website	Yes

xiv) Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not Applicable.

xv) Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management:

As on date, Mr. Prakash Apte, Mr. Nakul Toshniwal, Ms. Bhawana Mishra, Mr. Vivek Bhatia and Ms. Shilpa Divekar Nirula are the Independent Directors on the Board. Based on the declarations given by the Independent Directors, the Board is of the opinion that the Independent Directors meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of management of the Company.

xvi) Policy for Determining Material Subsidiaries:

The policy for determining material subsidiaries is available on the Company's website at https://www.gmmpfaudler.com/file/PolicyfordeterminingMaterialSubisidiaries.pdf

xvii) Prevention of Insider Trading

The Code of Internal Procedures and Conduct for regulating, monitoring and reporting trading by designated persons in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 is available at
https://www.gmmpfaudler.com/file/CodeofConductforPreventionofInsiderTrading.pdf

The Code of fair disclosure of unpublished price sensitive information is available at https://www.gmmpfaudler.com/file/CodeofpracticesandProceduresforFairDisclosureofUPSI.pdf

20. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting:

61st Annual General Meeting of the Company will be held on Friday, August 9, 2024 through video-conference.

b) Dividend Payment Date: On or before September 5, 2024

c) Financial year of the Company: April to March

d) Tentative Calendar for the financial year: April 2024 to March 2025

Financial reporting for:

- Quarter ended June 30, 2024	:	1st week of August, 2024
- Quarter ended September 30, 2024	:	1st week of November, 2024
- Quarter ended December 31, 2024	:	1st week of February, 2025
- Quarter ended March 31, 2025	:	4th week of May, 2025
- Annual General Meeting for the year ended March 31, 2025	:	2nd week of August, 2025

e) Listing of Stock Exchange: Shares of the Company are listed on:

- BSE Limited, Phiroze Jeejeebhoy Towers, 1st Floor, Dalal Street, Mumbai 400001.
- National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai 400 051.

The Company confirms that the annual listing fees to BSE Limited and NSE Limited for the financial year 2024-25 have been paid.

f) BSE Scrip Code: 505255 / NSE Symbol - GMMPFAUDLR

g) ISIN with NSDL & CDSL: INE541A01023

h) Registrar & Transfer Agents:

Link Intime India Private Limited,
C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400 083.
Phone 4918 6270, Fax 4918 6060
Contact Person: Mr. Prathamesh Ghugare Email: rnt.helpdesk@linkintime.co.in

i) Compliance officer under Listing Regulations

Ms. Mittal Mehta, Company Secretary,
902, VIOS Tower, New Cuffe Parade, Sewri- Chembur Road,
Mumbai-400037
Phone +91 22 66503900 Fax +91 2692661888
Email: mittal.mehta@gmmpfaudler.com

j) Share Transfer System:

Share transfers are processed and share certificates duly endorsed are delivered within the regulatory timelines, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission and related requests of the Company's shares to the Managing Director and the Company Secretary.

As per SEBI norms, all requests for transfer of securities shall be processed only in dematerialised form. Further vide circular dated January 24, 2022, SEBI has notified that all requests for transmission, transposition, duplicate issuance, splitting and consolidation requests too will be processed in a demat mode only. All Shareholders are requested to convert their shares in demat mode.

k) Shareholding Pattern as on March 31, 2024:

Category	No. of shares	Percent (%)
Foreign Promoters - Pfaudler Inc.*	Nil	-
Indian Promoters Group	1,13,20,283	25.18
NRIs and Body Corporates	26,85,060	5.97
Mutual Funds	41,13,729	9.15
Foreign Portfolio Investors	99,56,488	22.15
Alternative Investment Funds	11,46,616	2.55
Insurance Companies/ Banks/ FIs	6,17,212	1.37
IEPF	1,77,860	0.40
Individuals	1,49,39,976	33.23
Total	**4,49,57,224**	**100.00**

*Reclassified from Promoter to Public category vide BSE & NSE approval letters dated April 2, 2024

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

Sr. No.	Slab of shareholding		Shareholders		Shares	
	No. of Equity shares held		Nos.	%	Nos.	%
	From	To				
1.	1	500	1,29,368	96.15	68,40,104	15.21
2.	501	1000	2,793	2.08	19,87,330	4.42
3.	1001	2000	1,268	0.94	17,87,782	3.98
4.	2001	3000	421	0.31	10,65,381	2.37
5.	3001	4000	157	0.12	5,47,377	1.22
6.	4001	5000	116	0.09	5,33,044	1.18
7.	5001	10000	199	0.15	13,56,204	3.02
8.	10001	above	219	0.16	3,08,40,002	68.60
Total			**1,34,541**	**100.00**	**4,49,57,224**	**100.00**

m) The details of prices of the Equity Shares of the Company on Stock Market for the year:

Month	Market Price on BSE (₹)		Sensex (₹)	
	High	Low	High	Low
April, 2023	1,539.65	1,450.05	61,209.46	58,793.08
May 2023	1,576.95	1,428.00	63,036.12	61,002.17
June 2023	1,569.00	1,439.00	64,768.58	62,359.14
July 2023	1,523.00	1,415.25	67,619.17	64,836.16
August 2023	1,642.95	1,350.00	66,658.12	64,723.63
September 2023	1,896.75	1,579.95	67,927.23	64,818.37
October, 2023	1,890.00	1,639.00	66,592.16	63,092.98
November, 2023	1,805.55	1,488.50	67,069.89	63,550.46
December, 2023	1,663.80	1,465.00	72,484.34	67,149.07
January, 2024	1,643.10	1,485.00	73,427.59	70,001.60
February, 2024	1,564.85	1,295.30	73,413.93	70,809.84
March, 2024	1,355.25	1,201.10	74,245.17	71,674.42

Month	Market Price on NSE (₹)		NIFTY (₹)	
	High	Low	High	Low
April, 2023	1,540.00	1,451.20	18,089.15	17,312.75
May 2023	1,547.50	1,428.05	18,662.45	18,042.40
June 2023	1,569.85	1,438.70	19,201.70	18,464.55
July 2023	1,524.00	1,415.00	19,991.85	19,234.40
August 2023	1,643.00	1,376.00	19,795.60	19,223.65
September 2023	1,897.95	1,578.75	20,222.45	19,255.70
October, 2023	1,890.40	1,636.90	19,849.75	18,837.85
November, 2023	1,805.00	1,488.00	20,158.70	18,973.70
December, 2023	1,663.40	1,465.05	21,801.45	20,183.70
January, 2024	1,624.00	1,486.00	22,124.15	21,137.20
February, 2024	1,565.70	1,294.75	22,297.50	21,530.20
March, 2024	1,355.90	1,205.60	22,526.60	21,710.20

n) Dematerialization:

As on March 31, 2024, 98.70% of the Company's total shares representing 4,43,73,082 shares were held in dematerialized form and the balance 5,84,142 representing 1.30% shares were in Physical Form.

o) Outstanding GDRs / ADRs /Warrants or any convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments . Hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

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

The Company as such is not exposed to any commodity price risk and hence, the disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide Circular dated November 15, 2018, is not applicable.

q) Plant Location:

Manufacturing Plants of the Company in India are situated at

- Vithal Udyognagar, Anand – Sojitra Road, Karamsad, 388 325, Gujarat
- 7, Nacharam Industrial Estate, Secunderabad, Telangana and
- 5/1/2, G I D C Vatva, Vatva Railway Crossing, Ahmedabad, Gujarat 382445

For details of manufacturing plants outside India kindly refer details at pg. no. 14

r) Details of credit ratings:

Rating Agency	Long-term banking facilities	Short-term banking facilities
CRISIL Rating Ltd	CRISIL AA-/ Positive	CRISIL A1+
ICRA Ltd	[ICRA]AA-(Stable) (Reaffirmed)	[ICRA]A1+ (Reaffirmed)

s) Shareholders & Investors Correspondence:

Shareholders should address their correspondence to the Company's Registrar and Transfer Agent:

Link Intime India Private Limited,
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083
Phone 022-4918 6270, Fax 022- 4918 6060.
Person: Mr. Prathamesh Ghugare. Email: rnt.helpdesk@linkintime.co.in

21. COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors Deloitte Haskins & Sells, Statutory Auditors of the Company, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of SEBI Listing Regulations, is attached to this Report.

CEO declaration for compliance of the Company's Code of Conduct:

I hereby affirm that all the Board Members and Senior Management Executives of the Company have affirmed compliance with the Code of Conduct & Ethics Policy of GMM Pfaudler Limited as applicable to them for the year ended March 31, 2024.

Aseem Joshi
Chief Executive Officer

Place: Mumbai
Date : April 23, 2024

CEO - CFO COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI LISTING REGULATIONS

We, Tarak Patel, Managing Director and Manish Poddar, Chief Financial Officer certify to the Board that:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our 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 in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee, the following, if any:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GMM Pfaudler Ltd.

Tarak Patel
Managing Director

Manish Poddar
Chief Financial Officer

Place: Mumbai
Date: May 22, 2024

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
GMM Pfaudler Limited
Vithal Udyognagar,
Karamsad, Gujarat – 388325

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GMM Pfaudler Limited (CIN: L29199GJ1962PLC001171), having its registered office situated at Vithal Udyognagar, Karamsad – 388 325, (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 – 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 Director Identification Number (DIN) status on the portal of the Ministry of Corporate Affairs i.e. www.mca.gov.in) and 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 ended on March 31, 2024, have been debarred or disqualified by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, from being appointed or continuing as Director of the Company.

Sr. No	Name of the Director	DIN	Date of Appointment
1.	Mr. Ashok Patel	00165858	01/01/1988
2.	Mr. Tarak Patel	00166183	30/01/2007
3.	Mr. Prakash Apte	00196106	25/05/2022
4.	Mr. Nakul Toshniwal	00350112	16/05/2018
5.	Ms. Bhawana Mishra	06741655	01/04/2020
6.	Mr. Vivek Bhatia	08166667	01/04/2020
7.	Mr. Harsh Gupta*	02434051	01/04/2020
8.	Mr. Malte Woweries*	09164705	28/05/2021

*Resigned as Directors w. e. f. August 18, 2023.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this 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.

For **Rathi & Associates**
Company Secretaries

Jayesh Shah
Partner
Membership. No: F5637
COP. No: 2535
UDIN: F005637F000416597
Peer Review Cert. No: 668/2020

Date: May 22, 2024
Place: Mumbai

TO THE MEMBERS OF

GMM PFAUDLER LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This Certificate is issued in accordance with the terms of our engagement letter dated April 05, 2024.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of GMM Pfaudler Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility:

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility:

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.
9. 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
(Partner)
(Membership No. 116642)
UDIN: 24116642BKDLCE1777

Place: Mumbai
Date: May 22, 2024

Business Responsibility & Sustainability Reporting

GMM Pfaudler Limited ("GMM Pfaudler" or "the Company") delivers corrosion-resistant technologies, systems, and services worldwide and remains the preferred choice by consistently providing its customers in the chemical and pharmaceutical industries with innovative and cost-effective solutions. We are committed to delivering quality products led by our purpose of creating value for our people, our communities and our planet. Our operational and future growth strategies put responsible Environmental, Social and Governance (ESG) principles at their core to positively impact our stakeholders. As a responsible corporate citizen, the Company is committed to ensuring sustainable development and inclusive growth and believes in the philosophy of giving back to the society, that played an instrumental role in GMM Pfaudler's growth and success by offering uninterrupted support in the organization's endeavors. In keeping with the Company's commitment to responsibility and accountability towards all its stakeholders and its efforts to conduct business with responsibility, the Company is pleased to present its Business Responsibility and Sustainability Report for the FY24 prepared in accordance with SEBI Circular no. CIR/2021/562 dated May 10, 2021. Certain data points of our previous year's report have been revised in view of updated calculation methodology as per BRSR guidance note. The Company endorses the guiding principles as outlined in the National Guidelines on Responsible Business Conduct (NGBRC) as formulated by the Ministry of Corporate Affairs and is committed towards their adherence.

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L29199GJ1962PLC001171
2.	**Name of the Listed Entity**	GMM Pfaudler Limited
3.	**Year of incorporation**	1962
4.	**Registered office address**	Vithal Udyognagar, Anand – Sojitra Road, Karamsad, Gujarat, 388325 India
5.	**Corporate address**	902, VIOS Tower, New Cuffe Parade, Sewri-Chembur Road, Mumbai, Maharashtra, 400037 India
6.	**E-mail**	investorservices@gmmpfaudler.com
7.	**Telephone**	+91 22 6650 3900
8.	**Website**	www.gmmpfaudler.com
9.	**Financial year for which reporting is being done**	April 1, 2023 to March 31, 2024
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	**Paid-up Capital**	INR 8.99 Crores
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Ms. Mittal Mehta Designation: Company Secretary Telephone: +91 22 6650 3900 Email: mittal.mehta@gmmpfaudler.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	The disclosures under this report are made on a Standalone basis
14.	**Name of assurance provider**	Not Applicable as per the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023
15.	**Type of assurance obtained**	Not Applicable as per the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals medicinal chemical and botanical products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of other Special Purpose Machinery	28299	98.20%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	9	12
International*	-	-	-

* The international operations are carried out by the Company through its subsidiary companies and are outside the reporting boundary of this report.

19. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States)	36*
International (No. of Countries)	100+

* This includes 28 States and 8 Union Territories.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of the total turnover of the Company is 17.44%.

c. A brief on types of customers:

GMM Pfaudler is the leading technologies, systems, and services provider for the chemical and pharmaceutical industries, as well as many others. GMM Pfaudler caters to over 90% of the world's Top 20 ICIS Chemical Companies.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1	Permanent (D)	583	555	95.20%	28	4.80%
2	Other than Permanent (E)	15	13	86.67%	2	13.33%
3	**Total employees (D + E)**	**598**	**568**	**94.98%**	**30**	**5.02%**
			WORKERS			
4	Permanent (F)	201	200	99.50%	1	0.50%
5	Other than Permanent (G)	2033	2017	99.21%	16	0.79%
6	**Total Workers (F + G)**	**2234**	**2217**	**99.24%**	**17**	**0.76%**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			DIFFERENTLY ABLED EMPLOYEES			
1	Permanent (D)	2	2	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**2**	**2**	**100%**	**-**	**-**
			DIFFERENTLY ABLED WORKERS			
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	3	3	100%	-	-
6	**Total differently able workers (F + G)**	**3**	**3**	**100%**	**-**	**-**

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel*	4	1	25%

*This includes MD, CEO, CFO & CS

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY24 (Turnover rate in current FY)			FY23 (Turnover rate in previous FY)			FY22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21.01	17.54	**20.84**	20.51	30.30	**21.07**	13.9	16.67	**14.08**
Permanent Workers	4.42	-	**4.40**	3.05	-	**3.05**	4.76	-	**4.76**

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures

Sr. No.	Names of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)*	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by Listed entity
1	Mavag AG (Switzerland)	Subsidiary	100
2	Pfaudler GmbH (Germany)	Subsidiary	100
3	Pfaudler Normag Systems GmbH (Germany)	Subsidiary	100
4	Pfaudler interseal GmbH (Germany)	Subsidiary	100
5	Pfaudler Service BeNeLux B.V. (Netherlands)	Subsidiary	100
6	Pfaudler S.r.l. (Italy)	Subsidiary	100
7	Pfaudler France S.à r.l. (France)	Subsidiary	100
8	GMM International S.à.r.l. (Luxembourg)	Subsidiary	100
9	Pfaudler Limited (UK)	Subsidiary	100
10	GMM Pfaudler US Inc. (USA)	Subsidiary	100
11	Edlon Inc. (USA)	Subsidiary	100
12	Glasteel Parts and Services, Inc. (USA)	Subsidiary	100
13	Pfaudler S.A. de C.V. (Mexico)	Subsidiary	100
14	Pfaudler Ltda. (Brazil)	Subsidiary	100
15	Pfaudler Private Limited (Singapore)	Subsidiary	100
16	Pfaudler (Chang Zhou) Process Equip. Co. Ltd. (China)	Subsidiary	100
17	GMM Pfaudler Foundation (India)	Subsidiary	100
18	Hydro Air Research Italia S.r.l (Italy)	Subsidiary	100
19	Mixel France SAS (France)	Subsidiary	100
20	Mixel Agitator Co.Ltd. (China)	Subsidiary	100
21	Professional Mixing Equipment Inc. (Canada)	Subsidiary	100
22	GMM Pfaudler JDS LLC (USA)	Subsidiary	51

*Business responsibility initiative disclosed are pertaining to GMM Pfaudler Limited on a standalone basis and does not include the information/initiative undertaken, if any by the Companies indicated in column A.

VI. CSR Details

24.		
	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	(ii) Turnover (in Rs.)	1030.61 Crores
	(iii) Net worth (in Rs.)	751.19 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If Yes, then Provide web-link for grievance redress policy)	FY24 Current Financial Year			FY23 Previous Financial Year		
			Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of Complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	https://www.gmmpfaudler.com/file/CorporateSocialResponsibilityPolicy.pdf	-	-	-	-	-	-
Investors/ Shareholders	Yes	The Grievance Redressal Mechanism is as per SEBI Listing Regulations. The Company has a designated email ID exclusively for investor services i.e. investorservices@gmmpfaudler.com	1	-	-	12	-	-
Employees and workers	Yes	https://www.gmmpfaudler.com/file/GMMCOC.pdf	4	-	-	-	-	-
Customers	Yes	The Company has a designated email ID exclusively for customers i.e. service@gmmpfaudler.com	467	7	Resolution of pending points are ongoing and will be closed in due time	344	5	All the pending complaints for FY 23 are resolved
Value Chain	Yes	https://www.gmmpfaudler.com/file/WhistleBlowerPolicy.pdf	-	-	-	1	-	-

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance	Opportunity	A robust governance framework stands as the cornerstone of organizational excellence. By fostering a governance structure that is both responsive and inclusive, an organization fortifies its ability to weather unforeseen challenges and adapt with resilience. The vigilant oversight provided by governance committees, particularly in areas concerning environmental, social, and governance (ESG) factors, ensures alignment and propels the organization toward sustainability goals. Within GMM Pfaudler, adherence to governance principles and the delineated charters of the Board's standing committees serve as a scaffolding for effective governance and diligent oversight of company affairs. Each committee fulfills a pivotal role in upholding our steadfast commitment to conducting business with the utmost adherence to corporate standards.	-	Positive
2	Product Quality and Customer Satisfaction	Opportunity	A value for money and high quality product which is supported by seamless pre & post sales service provides an organization with an opportunity to retain satisfied customers who in turn are a source of recurring revenues. We strive to align our business objectives with our vision of becoming the most sought-after provider of top-quality engineered products and services to our clients. Our pursuit of ethical and transparent business practices is aimed at building trust among our stakeholders, strengthening our brand image, and boosting customer satisfaction.	-	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Product Stewardship	Opportunity	By prioritizing eco-consciousness and social responsibility in every stage of production, GMM Pfaudler is not only refining product quality but also significantly diminishing its environmental and social footprint. This commitment not only aligns with sustainability goals but also enhances market appeal, driving higher sales and fostering a culture of innovation and reliability.	-	Positive
4	Responsible Supply Chain	Risk	A sustainable supply chain embodies socially responsible business practices, crucial for mitigating various risks such as contractual, legal, and business continuity issues. Failing to strategically identify and collaborate with suppliers and partners offering essential products and services could expose the organization to these risks, highlighting the imperative of fostering strong partnerships and ethical sourcing practices.	GMM Pfaudler diligently employs a range of screening tools and checklists to meticulously evaluate suppliers and assess potential social risks. Our supplier Code of Conduct sets forth clear expectations, requiring all partners within the supply chain to fully adhere to relevant laws and standards governing corporate governance, social responsibility, and environmental stewardship. This commitment ensures that ethical practices permeate every aspect of our operations, fostering trust and accountability throughout our supply network.	Negative
5	Occupational health and safety	Risk	Our people's capabilities, competence and commitment are the force behind our continued business success and the stakeholder trust we enjoy. Providing a safe and healthy workplace environment for our workers is critical to the success of our operations.	At GMM Pfaudler, our focus is on ensuring a safe workplace environment through technology, training, and strict safety protocols. All our facilities comply with ISO 45001 standards, maintain Emergency Response Plans, and monitor progress through behavior-based safety programs.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Climate Change	Risk	The increasing frequency of extreme weather events linked to climate change presents a tangible threat, potentially disrupting our operations and jeopardizing the safety and welfare of our employees.	We embrace environmental sustainability by implementing green policies, frameworks, and infrastructure. This includes prioritizing energy conservation and renewable energy to minimize our carbon footprint, adopting innovative technologies to manage waste in accordance with circular economy principles. We also employ operational and engineering controls to reduce freshwater consumption and manage water resources through sewage treatment, recycling treated water, and rainwater harvesting. Additionally, we implement waste management practices such as recycling, reusing, and minimizing waste generation, while ensuring supply chain sustainability through responsible sourcing.	Negative
7	Community Development	Opportunity	Establishing a strong connection with the community is crucial for the Company's sustained success and value creation. GMM Pfaudler adopts a tripartite approach to community outreach: **Healthcare:** We contribute to local communities by initiating preventive healthcare programs and offering support to hospitals. **Education:** We enhance vocational skills and elevate education quality by partnering with and providing essential resources to Industrial Training Institutes (ITIs). **Environment:** We actively support projects dedicated to preserving flora and fauna, conserving natural resources, and mitigating ecological imbalances.	-	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Energy and Emissions Management	Opportunity	Energy is crucial for economic growth and life prosperity. Availability and reliability of energy has always been a concern not only for an organization but also for the world at large. All production facilities adhere to ISO 50001 standards. The Company has a renewable energy portfolio of 1 MW Solar energy. The renewable energy generated contributes to 6% of total electricity needs and helped the organization in avoiding 862.62 tCO_2e in FY24. Additionally, our Company regularly implements a variety of energy-saving strategies to cut down on energy use and emissions footprints.	-	Positive
9	Water and Wastewater Management	Risk & Opportunity	Water, being a finite resource, requires careful planning, distribution, and management to optimize its usage. Its availability and utilization significantly impact both the environment and society.	GMM Pfaudler's operational regions strictly adhere to pollution control board guidelines. Our manufacturing plants implement wastewater treatment and recycling measures, effectively reducing our freshwater consumption and minimizing the impact on water resources used for domestic and agricultural purposes.	Both
10	Waste Management	Risk & Opportunity	Efficient resource utilization entails minimizing and reusing waste, along with incorporating recycled materials whenever feasible. Effective waste management procedures, including separation, collection, and disposal, are imperative. Regulations governing waste management are essential to ensure proper reuse, recycling, and disposal, particularly as expanding landfills and dumpsites pose risks to air, soil, and water quality.	GMM Pfaudler has implemented comprehensive strategies to minimize waste production throughout the manufacturing cycle. We prioritize waste reduction at every level to align with legal requirements and safeguard the environment. Waste is responsibly disposed of at Transport, Storage, and Disposal Facilities (TSDF) to ensure compliance and prevent adverse environmental impacts. Moreover, we strictly prohibit the use of single-use, non-biodegradable plastics on our premises.	Both

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Ethics and Compliance	Risk	Operating with the utmost integrity and ethics is a fundamental responsibility of any organization. Non-compliance with regulations and subsequent penalties can directly impact company operations and lead to financial strain.	GMM Pfaudler is dedicated to upholding ethical standards and achieving compliance excellence. Through a robust Code of Conduct, we instill values of integrity, transparency, and respect across all levels of the organization. This framework emphasizes adherence to laws, prevention of conflicts of interest, and safeguarding Company assets, fostering a safe and inclusive workplace. Supported by strong governance, our compliance structure remains adaptable to evolving regulations and risks. Regular training and open communication channels empower employees to maintain high ethical standards and report concerns confidentially, ensuring our continued commitment to integrity and compliance.	Negative
12	R&D and Innovation	Opportunity	R&D and innovation play crucial roles in developing better products with enhanced efficiencies and reduced environmental impact. At GMM Pfaudler, our dedicated Innovation team focuses on achieving these goals, striving to create products that optimize efficiency and minimize environmental footprint through sustainable practices. By prioritizing these efforts, we aim to uphold our commitments to the environment and strengthen our partnerships for long-term positive impact.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	**a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes								
	b. Has the policy been approved by the Board? (Yes/No)	Yes								
	c. Web Link of the Policies, if available	https://www.gmmpfaudler.com/investors/policies-programmes								
2	**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes								
3	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes, Whistle Blower Policy and Supplier Code of Conduct extends to value chain partners.								
4	**Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	Board approved policies and codes of conduct cover the NVGs. All applicable national and international regulations are captured in the policies articulated by GMM Pfaudler. In addition, they reflect the purpose and intent of the international standards such as GRI, UNSDG, ISO 50001 ISO 9001, ISO 14001 and ISO 45001.								
5	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	The Board of Directors in their meeting held on May 25, 2022 have approved the 3 Year ESG Strategy and Roadmap for the Company as stated in the ESG section of this Annual Report.								
6	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met**	The performance against the set targets undertaken for ESG has been published in the ESG Report forming part of this Annual Report.								
	Governance, leadership, and oversight									
7	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**	GMM Pfaudler's long-term strategy is built upon ESG principles, which prioritize the creation of value for our stakeholders, including our people, communities, and planet. Making a difference is what ESG means to us, not simply checking the criteria. We are committed to our people, communities, and planet, and as the preeminent global provider of corrosion-resistant technologies, our mission and core values direct our actions and assist us in concentrating on what is essential. Our Board of Directors has approved the Company's 3 year ESG road map and strategy. Achievements and objectives pertaining to ESG are detailed in the ESG Section of this Annual Report.								
8	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Name: Mr. Aseem Joshi Designation: Chief Executive Officer Telephone number: +91 22 6650 3900 E-mail id: aseem.joshi@gmmpfaudler.com								
9	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Name: Mr. Tarak Patel Designation: Managing Director DIN: 00166183 Telephone number: +91 22 6650 3900 E-mail id: tarak.patel@gmmpfaudler.com								

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annual/Need Basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes									Quarterly/Need Basis								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, on a regular basis, the Board of Directors and management reviews the adherence to the stated policies in the entity.								

12. **If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Note 1:

Principle(s)	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable	• Code of Conduct & Ethics Policy • Board Diversity Policy • Anti-Corruption Policy • Policy on Related Party Transactions • Antitrust Guidelines • Whistle Blower Policy • Policy on Determination of Material Events • Code of practices and Procedures for Fair Disclosure of UPSI	https://www.gmmpfaudler.com/investors/policies-programmes
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe	• Export Compliance Guideline • Environment, Social and Governance Policy • Suppliers Code of Conduct	https://www.gmmpfaudler.com/investors/policies-programmes
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains	• Anti-Sexual Harassment Policy • Code of Conduct & Ethics Policy • Internal HR Policies for Employees • Nomination, Remuneration & Evaluation Policy	
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders	• Corporate Social Responsibility Policy • Code of practices and Procedures for Fair Disclosure of UPSI • Anti-Corruption Policy	
Principle 5: Businesses should respect and promote human rights	• Code of Conduct & Ethics Policy • Anti-Sexual Harassment Policy • Whistle Blower Policy	
Principle 6: Businesses should respect and make efforts to protect and restore the environment	• Environment, Social and Governance Policy • Suppliers Code of Conduct	
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	• Code of Conduct & Ethics Policy • Communication Policy	
Principle 8: Businesses should promote inclusive growth and equitable development	• Corporate Social Responsibility Policy • Environment, Social and Governance Policy	
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	• Code of Conduct & Ethics Policy • Export Compliance Guideline • Information Security Policy	

GMM Pfaudler

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and Awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	7	Outlook on industry practices, governance and compliance, sustainability initiatives, risk management	100%
Key Managerial Personnel	6	Outlook on industry practices, governance and compliance, sustainability initiatives, risk management	100%
Employees other than BoD and KMPs	8	Governance and compliance, sustainability initiatives, risk management, Technical masterclasses, Communication, Advanced Excel	85.42%
Workers	Regular basis	Health & Safety and skill upgradation	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure obligations) Regulations, 2015 and as disclosed on the entity's website):

During FY24, there were no instances of any material (monetary and non-monetary) fines/penalties/ punishment/award/ compounding fees/settlement amount paid in proceedings (by the entity or by Directors/ KMPs) levied by the regulators/law enforcement agencies/ judicial institutions.

Note: Materiality threshold as specified in Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been applied for the purpose of this disclosure.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

There were no instances of any monetary or non-monetary offenses at GMM Pfaudler. Consequently, no appeals or revisions have been filed.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the entity has an Anti-Corruption Policy. GMM Pfaudler's Anti-Corruption policy emphasizes on the Company's zero tolerance approach to bribery and corruption. GMM Pfaudler is committed to conduct all its business activities with honestly, integrity and the highest possible ethical standards and vigorously enforces its ethical business practices wherever it operates throughout the world, of discouraging and not engaging in any kind of bribery, corruption, or unethical practice.

Web-link: https://www.gmmpfaudler.com/index.php/file/Anti-Corruption-Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/ KMPs/employees/workers in FY24 and FY23.

6. Details of complaints with regard to conflict of interest:

There were no complaints with regards to conflict of interest.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No Corrective actions were taken as there were no instances of fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Number of days of accounts payables	82.64	106.30

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Concentration of Purchases*	a) Purchases from trading houses as % of total purchases	27.42%	29.21%
	b) Number of trading houses where purchases are made from	466	490
	c) Purchases from top 10 trading houses as % of total purchases from trading houses *Total Purchase only considers the cost of inventorised materials.	40.85%	39.90%
Concentration of sales	a) Sales to dealers / distributors as % of total sales	-	-
	b) Number of dealers / distributors to whom sales are made	-	-
	c) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	5.47%	2.94%
	b) Sales (Sales to related parties / Total Sales)	15.49%	12.54%
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	11.79%	5.39%
	d) Investments (Investments in related parties / Total Investments made)	99.99%	99.99%

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	• Sustainability • Supplier Code of Conduct • CSR Assessment • CSR Audits • Integrating ESG Compliance in supplier contracts	0.72%

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same**

Yes, the Company has Code of Conduct for Board of Directors which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with such entities. The policy is available on the Company's website at:

https://www.gmmpfaudler.com/index.php/file/GMMCOC.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	100% (1.09 Crores)	100% (2.44 Crores)	The Company invests in R&D and Capex which prioritizes primarily towards product enhancement, operationalizing test centers, and fostering in-house Product Innovation to develop energy efficient products.
Capex	100% (3.15 Crores)	100% (2.26 Crores)	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has a Supplier's Code of Conduct in place that mandates suppliers to utilize natural resources, in a sustainable manner. Suppliers must minimize or eliminate negative environmental and climate impacts that arise from their operations. Suppliers are also encouraged to participate in creation and adoption of eco-friendly products, processes, and technologies.

The Company also gets confirmation and acceptance on the Code from all its major suppliers. In order to ensure compliance with sustainable procurement principles, GMM Pfaudler performs a Supplier Sustainability Risk Rating and Supplier Self-Assessment for environmental and social criteria. This process ensures that suppliers are assessed on their ability to adhere to sustainable practices and that their environmental and social impacts are evaluated. By doing so, GMM Pfaudler can work with its suppliers to mitigate any potential risks and enhance the sustainability of its supply chain.

The policy also supports the creation of local vendors and encourages local sourcing. The Company focuses on procurement of materials from local suppliers and MSME players. It has implemented various sustainable supply chain practices and initiatives and at the same time ensures timely and cost-effective deliveries for necessary resources.

Company has also received a Bronze Medal (Top 35%) in the EcoVadis Sustainability Rating - May 2024

b. **If yes, what percentage of inputs were sourced sustainably?**

GMM Pfaudler conducts regular assessments of key suppliers, evaluating them through Sustainability Risk Rating and Supplier Self-Assessment processes. Basis these assessments, 91.83% of the raw material procurement by value are sourced sustainability.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**	Given the nature of our business, the products we manufacture has a life of 10-15 years. Once this period is over, customers can choose to hand over any metal and glass scraps to authorized recyclers. From a larger standpoint, any end-of-life waste that is generated from our products can be recycled and repurposed as raw materials for other processes or products.
(a) Plastics (including packaging)	
(b) E-waste	
(c) Hazardous waste	
(d) other waste.	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)**	No
If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same	Not Applicable

LEADERSHIP INDICATORS

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Wooden Box	0.57%	0.59%
Plastic (Stretch film, Plastic bags, Sink film etc)	0.06%	0.06%
Casting	1.03%	1.07%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Given the nature of the product we do not reclaim product or packaging at end of life. From a larger standpoint, any end-of-life waste that is generated from our products can be recycled and repurposed as raw materials for other processes or products.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Given the nature of the product we do not reclaim product or packaging at end of life.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. **a. Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent employees											
Male	555	555	100%	555	100%	-	-	555	100%	555	100%
Female	28	28	100%	28	100%	28	100%	-	-	28	100%
Total	**583**	**583**	**100%**	**583**	**100%**	**28**	**4.80%**	**555**	**95.20%**	**583**	**100%**
Other than Permanent employees											
Male	13	13	100%	-	-	-	-	-	-	13	100%
Female	2	-	-	-	-	2	100%	-	-	2	100%
Total	**15**	**13**	**86.67%**	**-**	**-**	**2**	**13.33%**	**-**	**-**	**15**	**100%**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of Worker Covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent workers											
Male	200	200	100%	200	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	1	100%
Total	**201**	**201**	**100%**	**201**	**100%**	**1**	**0.50%**	**-**	**-**	**1**	**0.50%**
Other than Permanent workers											
Male	2017	-	-	2017	100%	-	-	-	-	-	-
Female	16	-	-	16	100%	16	100%	-	-	16	100%
Total	**2033**	**-**	**-**	**2033**	**100%**	**16**	**0.79%**	**-**	**-**	**16**	**0.79%**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.25%	0.20%

2. **Details of retirement benefits, for Current FY and Previous Financial Year:**

Benefits	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and Deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and Deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	-	-	N.A.	2.0%	-	Y

3. **Accessibility of workplaces.**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, majority of GMM Pfaudler's workplace premises are designed to be accessible to differently abled employees and workers. The infrastructure at the gates and office entrances are equipped with even surfaces, such as ramps, to ensure easy accessibility for disabled employees.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, GMM Pfaudler's Code of Conduct & Ethics Policy mandates all Directors and employees to cultivate a work environment that is free from any sort of discrimination based on factors such as color, race, creed, national or ethnic origin, gender, sexual orientation, religion, marital status, veteran status, citizenship status, physical or mental disability, age, or any other status protected by relevant laws. https://www.gmmpfaudler.com/index.php/file/GMMCOC.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers*	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	66.67%	-	-
Total	**100%**	**95.45%**	**-**	**-**

*Parental Leaves were not taken by Permanent Workers in the last two Financial Year

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the working group's grievance redressal mechanism adheres to the guidelines outlined in the Factories Act. In this process, workers can raise their concerns to the welfare officer who is responsible for directing the grievances to the relevant management teams for resolution. Once a solution is determined, the concerned parties are informed accordingly.
Other than Permanent Workers	
Permanent Employees	Yes, at GMM Pfaudler, employees are encouraged to seek guidance and report any concerns they may have with their direct manager or supervisor, the Human Resources Manager or the Compliance Officer. The Company has a "Whistle Blower Policy" for employees to report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Company has "zero tolerance" to any form of Sexual Harassment at the Workplace. The Company responds promptly to any complaints of Sexual Harassment and take appropriate steps to discipline behaviour that violates its "Anti-Sexual Harassment Policy". The Company has set up an Internal Committee to redress any such complaints received. The Company periodically conducts sessions and workshops for employees across the organization to build awareness about this Policy.
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**583**	**109**	**18.70%**	**604**	**99**	**16.39%**
Male	555	107	19.28%	574	97	16.90%
Female	28	2	7.14%	30	2	6.67%
Total Permanent Workers	**201**	**158**	**78.61%**	**205**	**159**	**77.56%**
Male	200	158	79.00%	205	159	77.56%
Female	1	-	-	-	-	-

8. **Details of training given to employees and workers:**

Category	FY24 (Current Financial Year)					FY23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C / A)		No. (E)	% (E/ D)	No. (F)	% (F / D)
					Employees (Permanent + Other than Permanent)					
Male	568	332	58.45%	555	97.71%	662	509	76.89%	574	86.71%
Female	30	6	20.00%	30	100%	37	22	59.46%	21	56.76%
Total	**598**	**338**	**56.52%**	**585**	**97.83%**	**699**	**531**	**75.97%**	**595**	**85.12%**
					Workers* (Permanent + Other than Permanent)					
Male	2217	2217	100%	165	7.44%	2125	2125	100%	-	-
Female	17	17	100%	-	-	7	7	100%	-	-
Total	**2234**	**2234**	**100%**	**165**	**7.39%**	**2132**	**2132**	**100%**	**-**	**-**

* Trainings on skill upgradation includes both soft skill and functional skills. Such trainings are imparted by individual functions basis the need for their own department and are not specifically tracked.

9. **Details of performance and career development reviews of employees and worker:**

Category	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
			Employees			
Male	555	434	78.20%	574	422	73.52%
Female	28	27	96.43%	30	25	83.33%
Total	**583**	**461**	**79.07%**	**604**	**447**	**74.01%**
			Workers			
Male	200	197	98.50%	205	49	23.90%
Female	1	-	-	-	-	-
Total	**201**	**197**	**98.01%**	**205**	**49**	**23.90%**

10. **Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?	Yes, GMM Pfaudler places significant importance on the safety and well-being of its employees and other relevant stakeholders. As evidence of this commitment, our HSEMS in all three plants have been certified to meet the ISO 45001:2018 standard.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	At GMM Pfaudler, the methods employed to detect occupational hazards and evaluate risks regularly and irregularly include: **1. Hazard Identification and Risk Assessment (HIRA):** This requires a thorough assessment of the work environment and operational tasks to identify any possible hazards that could harm employees, visitors, or the surrounding ecosystem. The risk associated with each identified hazard is carefully assessed to determine the likelihood and potential consequences of an incident occurring. After analyzing the situation, appropriate actions are developed and implemented. **2. Health and Safety Inspections:** This involves a comprehensive review of the organization's policies, procedures, and practices related to environmental management, health, and safety. An HSE inspection and audit helps identify areas for improvement to reduce the risk of incidents or accidents. Furthermore, it fulfills the role of confirming the organization's compliance with relevant regulatory obligations and industry standards. Based on the results of an HSE audit and inspection, we have developed corrective action plans to address any areas that need improvement.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes, GMM Pfaudler has implemented an online App & Web Portal that allows employees at all levels to easily report any work-related hazards. The Factory Heads and HSE Managers diligently monitor and address all reported work hazards.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, all our employees are covered under Health & Accidental Insurance which can be used for any non-occupational medical & healthcare service.

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category*	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	2	-
	Workers	10	8
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

12. **Describe the measures taken by the entity to ensure a safe and healthy work place.**

GMM Pfaudler has established a robust framework to ensure a safe and healthy workplace through a combination of rigorous compliance measures, training, and emergency preparedness. Regular work permit issuances, safety inductions, and safety committee meetings enforce adherence to established safety protocols, supported by behavior-based safety initiatives and comprehensive shop floor inspections. We enhance contractor safety through a dedicated Safety Induction program and an EHS training card system.

Our commitment to continuous improvement is demonstrated through regular internal and external HSE audits, including third-party safety audits and ISO 45001 & 14001 certifications, with risk assessments and controls validated by TUV SUD. Emergency preparedness is prioritized with detailed site-specific plans and regular mock drills covering potential emergencies such as fire, electric shock, and snake bites, alongside extensive training in hazard awareness and safe material handling. Health monitoring is conducted via pre-employment check-ups and annual medical tests. Additionally, an online platform facilitates prompt reporting and management of work-related hazards. The maintenance of workplace safety is further supported by "5S" practices, and the organization's safety culture is reinforced through the celebration of National Safety Week and the recognition of safety achievements. Notably, these comprehensive safety measures have led to zero reportable injuries or accidents in FY24, highlighting the effectiveness of our approach.

13. Number of Complaints on the following made by employees and workers:

	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	212	37	Proactively Identified by safety committee & plant team, resolution of pending points are ongoing and will be closed in due time.	94	25	-
Health & Safety	164	08		20	3	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	(3 plants were audited by third parties & offices were assessed internally.)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

GMM Pfaudler have implemented several corrective actions to enhance health and safety practices across our operations. This includes Behavior-Based and Safety Induction Training for all employees, particularly new hires and contractors, to ensure comprehensive familiarity with safety protocols. We have improved safety equipment and facilities on the shop floor by adding first aid boxes, fire extinguishers, and clear safety visuals. Trolleys for safer cylinder transportation, guards on grinding machines, and specialized equipment such as scaffolds, scissor lifts, and safety harnesses for high-altitude work have been introduced. Additional enhancements include screens for grinding work, marked gangways and aisles, standardized personal protective equipment, and advanced electrical safety features like distribution boards with RCCB and top plugs. These measures reflect our ongoing commitment to maintaining a safe work environment by continually identifying risks and implementing necessary improvements.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The contract agreements with our value chain partners explicitly require compliance with all relevant statutory provisions, including payment and deduction of mandatory contributions. We ensure both parties carefully review and uphold these clauses. Contractors are required to submit proof that the statutory dues have been deducted and deposited on a quarterly basis.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Based on the completed assessment, no significant risks or concerns were identified, and thus no corrective actions were deemed necessary at this time.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

At our Company, we take pride in maintaining a strong and transparent relationship with our investors by having a deep understanding of their expectations and fulfilling them consistently. Our commitment to client value is an integral part of our corporate philosophy which reflects our dedication to our clients. We believe that our employees are vital in creating value for our clients and the organization, and we strive to provide them with fulfilling careers. Suppliers are our key stakeholders who enable us to deliver business value. We respect the law of the land and abide by the GMM Pfaudler's Code of Conduct and Ethics Policy, making governments and regulators important stakeholders. Our business practices are centered around inclusive growth, and we ensure that the community is at the forefront of our sustainable practices.

Our stakeholders are our investors, employees, shareholders, customers, communities, non-governmental organizations and suppliers amongst others.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	One-to-one interactions and meetings for projects, relationship meetings, Customer satisfaction surveys, Helpline numbers and grievance recording mechanism; customer visits, responses to Request for Information (RFI) / Request for Proposal (RFP), sponsored events, mailers, newsletters, brochures, website, social media, events and exhibitions.	**Continuous:** GMM Pfaudler's website, social media, sponsored events, mailers, newsletters, brochures. **Half-yearly:** Relationship meetings, Customer satisfaction surveys, customer visits. **Annual:** Events and Exhibitions.	• Product Stewardship • Product quality and safety • Customer data privacy • New Products • Feedback
Employees	No	Induction programs, E-mails, newsletters Employee portal, HR helpdesk, Engagement initiatives and Townhalls, Rewards & Recognition programs and satisfactions survey, Leadership development meetings/ programmes.	**Continuous:** Website, Employee portal, HR helpdesk, Rewards & Recognition programs and satisfactions survey, Webinars and awareness sessions. **Quarterly:** GMM Pfaudler's Newsletter. **Annual:** Townhalls.	• Performance appraisal and rewards • Learning and development programmes • Transparency in business • Compliance with safety norms • Focus on ESG aspects • Diversity & Inclusion • Code of Conduct & Human Rights • Career Management and Growth Prospects
Investors & Shareholders	No	Website, newspapers, press releases, emails, quarterly conference call, analyst & investor Meeting, general meeting, social media, manufacturing facility visits.	**Continuous:** Investors page on the GMM Pfaudler's website, social media. **Quarterly:** Financial statements earnings call, press conferences, investor calls. **Annual:** Annual General Meeting, Annual Report.	• Financial and non-financial performance • Robust strategy for business growth • Long-term business value • Ethical Behavior and Fair Business Practices • Understanding shareholders expectations
Suppliers	No	Site visits and inspection, meetings/calls, Vendor capability assessment, Vendor performance assessment.	**Quarterly:** Meetings/calls. **Half-yearly:** Assessments, Site visits and inspections.	• Responsible Sourcing • On time performance • Ethical behavior/Fair business practices • Sustainability
Community	Yes	CSR events and programs (Through GMM Pfaudler Foundation).	**Quarterly:** Project Progress. **Annual:** Review.	• Progress on CSR projects • Need Assessments • Impact Assessments
Industry Bodies, Regulators	No	Email, one-on-one meetings, Conference meetings Periodic Fillings.	Need-based.	Discussions about various regulations and amendments, inspections, approvals.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Stakeholder engagement plays a vital role in driving growth ambitions. The Board has given its approval to the Company's 3-year Strategy and Roadmap. The ESG Steering Committee implements the roadmap in accordance with the Company's ESG vision. It establishes sustainability goals, offers targeted guidance and operational insights to the ESG working groups, evaluates public disclosures, and engages with stakeholders to address their concerns. The Chief Executive Officer leads the ESG Steering Committee. Regular board reviews are conducted every quarter, providing an opportunity for the board to engage in in-depth discussions with the Chief Executive Officer regarding sustainability progress and concerns raised by stakeholders. This Committee serves as the platform for stakeholders to engage with the Board of the organization.

   The Company's commitment to transparency and providing stakeholders with a complete view of its performance and progress towards ESG commitments is evident in its comprehensive reporting approach.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company, in collaboration with stakeholders, has identified significant environmental and social issues. We shortlisted and prioritized material topics based on their impact on stakeholders and the business. Information regarding this can be found in the Materiality Assessment section of the ESG report. The Company's initiatives in the field of Corporate Social Responsibility are carefully planned and implemented based on the needs of the communities, including vulnerable and marginalized groups, as well as other community members.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   At GMM Pfaudler, we are committed to addressing the concerns of vulnerable and marginalized groups. Recently, two schools in Karamsad and Vatva approached us for assistance with infrastructure and student accessories. In response, we constructed handwash stations, separate washrooms for boys and girls, water purifiers, water coolers, and protective shades for these coolers and purifiers. Additionally, we distributed school bags and PT uniforms to the students. These efforts have significantly improved the educational environment and basic needs for students, demonstrating our dedication to supporting and uplifting marginalized communities through proactive engagement and meaningful action.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Total (A)	No. of employees / Workers covered (B)	% (B / A)	Total (C)	No. of employees / Workers covered (D)	% (D / C)
Employees						
Permanent	583	459	78.73%	604	604	100%
Other than permanent	15	15	100%	95	95	100%
Total Employees	**598**	**474**	**89.36%**	**699**	**699**	**100%**
Workers*						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total Workers	**-**	**-**	**-**	**-**	**-**	**-**

*The Company's Code of Conduct & Ethics Policy (COC) includes comprehensive training on human rights and other policies. Employees participate in COC training through various awareness programs. Discussions are held regularly to enhance awareness about human rights and the COC among all employees and workers. Besides HR-led sessions and online COC training, functional team leads also train all employees and workers, including new hires, on the COC. Currently, these training sessions are not tracked, but this will change starting from FY25. The COC is accessible on the Company's website and intranet portal, and all employees are expected to read, understand, and adhere to these standards, as well as comply with all relevant laws, regulations, and Company policies. Note that training for workers is not specifically tracked.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY24 (Current Financial Year)					FY23 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (C)	% (F /D)
Permanent Employees										
Male	555	-	-	555	100%	574	-	-	574	100%
Female	28	-	-	28	100%	30	-	-	30	100%
Other than Permanent Employees										
Male	13	-	-	13	100%	88	-	-	88	100%
Female	2	-	-	2	100%	7	-	-	7	100%
Permanent Workers										
Male	200	-	-	200	100%	205	-	-	205	100%
Female	1	-	-	1	100%	-	-	-	-	-
Other than Permanent Workers										
Male	2017	1055	52.31%	962	47.69%	1920	550	28.65%	1370	71.35%
Female	16	9	56.25%	7	43.75%	7	-	-	7	100%

3. **Details of remuneration/salary/wages, in the following format:**

a. **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ Salary/ wages of respective category	Number	Median remuneration/ Salary/ wages of respective category
Board of Directors (BoD)	5	25,00,000	1	24,00,000
Key Managerial Personnel	3	2,82,88,644	1	55,75,440
Employees other than BoD and KMP	552	7,75,266	27	10,08,456
Workers	200	5,57,232	1	3,72,948

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Gross wages paid to females as % of total wages	5.07%	4.12%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has designated the Company Secretary and Human Resource Head as Compliance Officers to enforce the principles outlined in the GMM Pfaudler's Code of Conduct & Ethics Policy, which includes the protection of human rights.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

In order to ensure the protection of human rights and strive for ongoing progress, the Company has implemented systems to receive and address complaints and feedback regarding any potential violations. Our company has implemented various mechanisms to ensure a transparent and ethical work environment. One such mechanism is a Whistle Blower Policy, which encourages our directors and employees to come forward and report any instances of unethical behavior, fraud, or violations of our Code of Conduct & Ethics Policy.

6. **Number of Complaints on the following made by employees and workers:**

	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	-
Complaints on POSH as a % of female employees / workers	2.13%	-
Complaints on POSH upheld	-	-

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The core values of our organization strictly forbid any form of retaliation. Employees are not liable for retaliation or reprisal when they report any suspected violation of the law, the Code of Conduct, or other company policies. Threats or retaliation against individuals who report violations in good faith or assist with related investigations are rigorously prohibited by the organization. The principles of natural justice, confidentiality, sensitivity, non-retaliation, and impartiality are upheld throughout our resolution process. We ensure that all concerns are addressed with sensitivity and strive to deliver prompt resolutions. By conducting a thorough investigation, we guarantee impartiality for all parties concerned and afford them the chance to present pertinent facts and evidence.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes, GMM Pfaudler's Code of Conduct & Ethics Policy emphasizes its dedication to safeguarding human rights and respecting the dignity of every individual. The Company expects all employees to adhere to these principles. This obligation applies to all interactions with business partners, including the negotiation and execution of agreements and contracts.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

    Based on the completed assessment, no significant risks or concerns were identified, and thus no corrective actions were deemed necessary at this time.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   While we received no grievances or complaints related to Human Rights in FY24, our ongoing Human Rights Due Diligence identified areas for improvement. As a result, we're revising or creating new policies, standard operating procedures (SOPs), and training programs to further strengthen our human rights commitment.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   Our human rights due diligence, conducted by an independent third party in FY24, covered a comprehensive range of topics to assess our human rights performance across our plants and offices. These topics included:

   - **Diversity and Inclusion:** We evaluated our practices to ensure a workplace that fosters respect and equal opportunities for all employees regardless of background.
   - **Equal Rights and Pay:** We reviewed our policies and procedures to guarantee fair treatment and compensation for all employees.
   - **Labor Rights:** This aspect focused on child labor prevention, adherence to working hour regulations, and ensuring fair wages and employee well-being as outlined in labor laws.
   - **Grievance Redressal Mechanism:** We assessed the effectiveness of our system for employees to raise and address concerns related to human rights.
   - **Rights of Persons with Disabilities:** The due diligence examined how well we accommodate and include employees with disabilities.
   - **Supplier Code of Conduct:** We reviewed our supplier code to ensure alignment with human rights principles and responsible sourcing practices.
   - **Other Human Rights Aspects:** The assessment also considered broader human rights considerations relevant to our operations.

   Outcomes and Next Steps

   The due diligence identified areas for improvement in various aspects, including certain clauses in policies, specific procedures, and training programs. Based on these findings, we are committed to:

   - Modifying existing policies and procedures to strengthen human rights compliance.
   - Creating new policies or Standard Operating Procedures (SOPs) where necessary to address identified gaps.

   Implementing or enhancing training programs to ensure employees are aware of their rights and responsibilities regarding human rights

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, majority of GMM Pfaudler's workplace premises are designed to be accessible to differently abled employees and workers. The infrastructure at the gates and office entrances are equipped with even surfaces, such as ramps, to ensure easy accessibility for disabled employees.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A) (GJ)	4,337.18	6,471.66
Total fuel consumption (B) (GJ)	-	719.46
Energy consumption through other sources (C) (GJ)	-	-
Total energy consumption from Renewable sources (A+B+C) (GJ)	4,337.18	7,191.12
From Non - Renewable Sources		
Total electricity consumption (D) (GJ)	68,806.83	90,933.93
Total fuel consumption (E) (GJ)	1,62,198.86	1,44,588.29
Energy consumption through other sources (F) (GJ)	-	-
Total energy consumption from Non-Renewable sources (D+E+F) (GJ)	2,31,005.69	2,35,522.22
Total energy consumed (A+B+C+D+E+F)	**2,35,342.87**	**2,42,713.34**
Energy intensity per rupee of turnover (Total energy consumed GJ / Revenue from Operations in INR Crores)	228.27	225.78
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed GJ / Revenue from operations adjusted for PPP in INR Crores)	228.27	225.78
Energy intensity in terms of physical output*	8.61	8.13
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No		

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Our facilities are not currently designated consumers under the Government of India's PAT Scheme.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	20,595	25,685
(iii) Third party water	13,562.79	18,984.81
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	34,157.79	44,669.81
Total volume of water consumption (in kilolitres)	33,737.79	39,479.81
Water intensity per rupee of turnover (Water consumed KL / Revenue from Operations in INR Crores)	32.72	36.73
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption KL/ Revenue from operations adjusted for PPP in INR Crores)	32.72	36.73
Water intensity in terms of physical output*	1.23	1.32
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.		

4. **Provide the following details related to water discharged:**

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Water discharged by destination and level of treatment (in kilo litres)		
(i) To Surface water		
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	4,840 (STP Secondary Treatment)
(iii) To Seawater		
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
a. No treatment	420	350
b. With treatment – please specify level of treatment	-	-
(v) Others		
a. No treatment	-	-
b. With treatment – please specify level of treatment	-	-
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)	420	5,190
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.		

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Yes, in our Karamsad Plant. We implement sustainable water management by reusing water from our Sewage Treatment Plant (STP). After secondary treatment, this water is utilized for gardening and hydro testing, exemplifying our commitment to resource efficiency and environmental conservation. These practices help us reduce our ecological footprint and support a sustainable ecosystem.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
NOx	Kg	967.98	242
SOx	Kg	1640.21	423
Particulate matter (PM)	Kg	7,142.51	2,556
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent/ INR Crores	9,929.46	8,517.98
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent/ INR Crores	13,684.91	20,460.34
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/ INR Crores	22.90	26.96
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/ INR Crores	22.90	26.96
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent /Nos	0.86	0.97

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. –

No.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

GMM Pfaudler strives to decrease its carbon footprint by continuously working towards reducing electricity consumption and emissions through the adoption of clean technology, enhancing energy efficiency, and promoting renewable energy.

Few of the projects associated with Reducing Green House Gas Emissions are:

1. **Renewable Energy**

   1MW Roof Top Solar Plant at Karamsad Manufacturing Unit generated 12,04,771 kWh during the FY24 & helped avoid 862.62 tCO_2e.

2. **Process Improvement**

   a. Reduced Glass coat application, helped save 27,10,200 kWh of electricity and avoided 1940.51 tCO_2e.

3. Reduced Glass coat application, helped save 27,10,200 kWh of electricity and avoided 1940.51 tCO_2e.

4. **Energy Saving Projects** through multiple projects we saved 2,72,266 kWh of energy and avoided 194.98 tCO_2e)

   a. Installation of solar streetlights.

   b. Use of energy efficient motors /other equipment (Welding M/Cs).

   c. Installation of AC models with eco-friendly gas & 5-star rating.

   d. Saving in office lighting/ACs by on/off scheduling.

   e. Replacement of factory shade sky light sheet with Polycarbonate sheets to improve day light.

   f. Reduce energy consumption :

      i. Saving in Air Compressor & transformer consumption by On/Off scheduling.

      ii. Furnaces modification for efficiency optimization & control of CO2 generation in exhaust.

      iii. Installation of VFD in compressor & shot blasting blower application

      iv. Furnace control panel rooms use interlocked AC units to prevent unnecessary cooling when the furnace is on.

      v. Improved power factor in operations

   g. Use of Electric Vehicle :

      i. Car for local travel use.

      ii. Tempo / forklift (for in-house material movement).

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	1.10
E-waste **(B)**	-	3.30
Bio-medical waste **(C)**	-	0.00015
Construction and demolition waste **(D)**	33.04	310.43
Battery waste **(E)**	1.35	0.037143
Radioactive waste **(F)**	0.135	-
Other Hazardous waste. Please specify, if any. **(G)**	9.38	21.50
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,811.52	4,450.36
Total (A+B + C + D + E + F + G+ H)	2,855.425	4,786.727
Waste intensity per rupee of turnover (Total waste generated MT/ Revenue from operations in INR Crores)	2.77	4.45
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated MT / Revenue from operations adjusted for PPP in INR Crores)	2.77	4.45
Waste intensity in terms of physical output	0.10	0.16

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2,776.48	4,455.48
(ii) Re-used	70.91	310.11
(iii) Other recovery operations	0.36	-
Total	**2,847.75**	**4,765.59**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	0.00015
(ii) Landfilling	7.55	19.63
(iii) Other disposal operations	-	-
Total	**7.55**	**19.63015**
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.		

Note: FY23 data has been corrected due to change in calculation methodology.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

GMM Pfaudler recognizes the vitality of waste management, an issue that profoundly affects our organization, neighboring communities, and the environment. The primary objectives of our waste management strategy are to reduce refuse disposal, maximize recycling and recovery, and minimize waste generation. To ensure responsible waste management practices throughout all our facilities, we have implemented several measures, including source-separated waste, waste reuse and recycling, and the secure disposal of hazardous waste in collaboration with an authorized agency. Our dedication to waste management is consistent with our overarching environmental, social, and governance goals, and we are consistently striving to improve our waste management procedures.

Few of the project associated with Waste Management are:

1. By eliminating first trial revision drawings, we're saving approximately 38,100 sheets of paper, significantly reducing waste and supporting our sustainability efforts.
2. Utilization of scrap for fabrication of non-pressure parts for optimal utilization of scrap & to reduce the risk of outsourcing and build inhouse capability.
3. For our shot blasting operation we replaced Aluminum Oxide shots with Steel Shots which not only can be reused but also helped us reduce our hazardous waste generation.
4. We are Reusing Wooden Boxes for packaging which has helped us reduced wood consumption by 894 cubic feet.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable as the Company does not have operation/offices in/around ecologically sensitive areas.

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not applicable as the Company did not undertake any environmental impact assessment projects in FY24.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the organization follows all the Environment related laws/regulations/guidelines. During the year, the Emissions/Waste generated by the Company were within the limits prescribed by the State Pollution Control Board (SPCB) and certification to that effect is being obtained on a periodical basis as per guidelines of SPCB.

LEADERSHIP INDICATORS

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

a. **Name of the area:** 5 1/2 Vatva Railway Crossing G I D C, Vatva GIDC, Ahmedabad, Gujarat 382445

b. **Nature of operations:** Manufacturing of other special purpose machinery

c. **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	10,966	16,142
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	10,966	16,142
Total volume of water consumption (in kilolitres)	10,966	16,142
Water intensity per rupee of turnover (Water consumed KL / turnover in INR Crores*) *turnover taken for the site	44.32	68.25
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharged by destination and level of treatment (in kilo litres)		
(i) Into Surface water	Not Applicable	
c. No treatment		
d. With treatment – please specify level of treatment		
(ii) Into Groundwater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iii) Into Seawater		
c. No treatment		
d. With treatment – please specify level of treatment		
(iv) Sent to third-parties		
c. No treatment		
d. With treatment – please specify level of treatment		
(v) Others		
c. No treatment		
d. With treatment – please specify level of treatment		
Total volume of water discharged (in kilolitres) (i + ii + iii + iv + v)		
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No.		

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	We plan to include Scope 3 emissions in our future sustainability reporting		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable as the Company does not have operation/offices in/around ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of Initiative
1	Improvement in glass coat application process	Through the improvement Glass coat application reduced by 0.44 coats in Karamsad Plant & 0.91 coats at Hyderabad plant.	Helped save 2,710,210 kWh of electricity and avoided 1940.51 tCO_2e.
2	Energy Saving Projects	a. Installation of solar streetlights. b. Use of energy efficient motors /other equipment (Welding M/Cs). c. Installation of AC models with eco-friendly gas & 5-star rating. d. Saving in office lighting/ACs by on/off scheduling. e. Replacement of factory shade sky light sheet with Polycarbonate sheets to improve day light. f. Saving in Air Compressor & transformer consumption by On/Off scheduling. g. Furnaces modification for efficiency optimization & control of CO2 generation in exhaust. h. Installation of VFD in compressor & shot blasting blower application i. Furnace control panel rooms use interlocked AC units to prevent unnecessary cooling when the furnace is on. j. Improved power factor in operations k. Use of Electric Vehicle	Through multiple projects we saved 2,72,266 kWh of energy and avoided 194.98 tCO_2e
3	Water Saving Initiatives	a. Revamped the water pits & shopfloor pipelines to eliminate leakages & overflow – effectively using recycled water used for equipment testing at Hyderabad Plant. b. STP water being used in garden areas & Re-mapping of hydrotest water line for higher utilisation of filtration water at Karamsad Plant.	Overall Water Intensity reduced by 11%.
4	Hazardous Waste Reduction	Replaced Aluminum Oxide Shots with Steel shots.	Reduced waste disposal at landfill.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has a standardised business continuity plan (BCP) in place which provides resilient business operations and ultimate safety of personnel and the Company's assets. The business continuity plans are included in our Enterprise Risk Management program and guide our response to disruptions to our operations. This covers many situations as a component of risk management processes and offers for risk mitigation and management in case of uncertainty. GMM Pfaudler's BCP seeks to restore operations to Business as Usual at the earliest in case of a business outage.

Overall Emergency Preparedness at GMM Pfaudler across all sites includes:

- Periodic Emergency Response Trainings for Emergency Response Teams (staff) & security team.
- Periodic Evacuation & Emergency Simulation Drills.
- Robust emergency preparedness checks to always ensure readiness.
- Liaison with Civil authorities for quick response in case of an emergency.
- Early assessments.
- Annual Maintenance Contracts on Emergency PPE.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Our supply chain partners haven't reported any major environmental concerns. We enforce a Supplier Code of Conduct that mandates sustainable resource use and minimizing environmental impact. We encourage suppliers to develop eco-friendly practices, promoting positive environmental influence throughout our value chain.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is a member of 12 (twelve) trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	The Confederation of Indian Industry (CII)	National
3	Indian Chemical Council (ICC)	National
4	Process Plant & Machinery Association of India (PPMAI)	National
5	Indian American Chamber of Commerce (IACC)	National
6	Indian Merchants Chamber	National
7	Swiss Indian Chamber of Commerce	National
8	International Market Assessment	National
9	Indo German Chamber of Commerce	National
10	Vithal Udyognagar Industries Association	State
11	Federation of Gujarat Industries	State
12	The Bombay Chamber of Commerce & Industry (BCCI)	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

During the reporting period, the Company received no notices for anti-competitive, antitrust, conflict of interest, or monopolistic practices from regulatory authorities hence no corrective action was required to be taken.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

The Company did not advocate for any public policy in FY24.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
As per the law the entity is not required to conduct any Social Impact Assessments in the current financial year. However, the Company has carried out social impact assessment of its CSR projects in FY23 namely ReefWatch Marine Conservation for Project "Re(ef) Generate" at Andaman Islands and Reef Watch Marine Conservation for Mega-fauna Rescue & Beach Restoration on the Karnataka coast on a voluntary basis. Details of the Impact Assessment is provided in the ESG Section of this Annual Report.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not Applicable as the Company did not undertake any projects requiring Rehabilitation and Resettlement activities.

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company's close collaboration with the community in identified areas of contribution for Corporate Social Responsibility initiatives demonstrates a proactive approach to social impact. The Company has developed a Grievance Tracking Log to further enhance this commitment by ensuring that any grievances or concerns are promptly addressed. This log not only promotes transparency and accountability but also contributes to effective project management, ultimately leading to more meaningful and sustainable outcomes for both the Company and the community it serves.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Directly sourced from MSMEs/small producers	18.76%	21.44%
Directly from within India	92.72%	90.80%

Note: FY23 data has been corrected due to change in calculation methodology.

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Rural	-	-
Semi-urban	47.00%	47.26%
Urban	-	-
Metropolitan	53.00%	52.70%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable, as no Social Impact assessment were carried out in FY24.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Company did not undertake any CSR projects in government-identified aspirational districts.

3.

(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	No, as per our Code of Conduct & Ethics Policy, we do not discriminate on any basis while selecting our suppliers and provide equal opportunities for engagement to all potential suppliers. We encourage working with local suppliers or suppliers that are close to our facilities. However, we have not specifically considered marginalized/ vulnerable groups in our supplier qualifying criteria.
(b) From which marginalized / vulnerable groups do you procure?	Not Applicable
(c) What percentage of total procurement (by value) does it constitute?	Not Applicable

6. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Education	300+	100%
2	Healthcare	30,000+	100%
3	Environment*	-	-

*In the Environment section the Company works on initiatives such urban afforestation, restoration of coral reefs and marine megafauna rescue, where beneficiaries can not be calculated.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

GMM Pfaudler values customer complaints and strives to address them promptly and effectively. GMM Pfaudler offers various channels for customers to submit complaints or provide feedback. Every complaint we receive through different channels is carefully recorded and assigned a unique complaint number. We promptly send an acknowledgement email to the customer, informing them that their complaint has been duly noted. The issue is promptly addressed and resolved. Customers can easily reach out to the Company through a toll-free number and a dedicated mail id to register their complaints. Complaints are allocated to Service Managers based on the complaint category. The Company adheres to globally recognized standards, specifically ISO 9000 for Quality Management. The team collaborates closely with management and various vertical teams, consistently providing feedback on process, policies, and people-related concerns. This results in enhancements and guarantees a decrease in complaints.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and Social parameters relevant to the product	100% (All the information related to Environment and Social parameters relevant to product, Safe and responsible usage and Recycling and/or safe disposal are mentioned in the manual sent along with the product.)
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

No consumer complaints were received during current and previous financial years regarding data privacy, advertising, cyber security, delivery of essential services, restrictive trade practices and unfair trade practices.

4. **Details of instances of product recalls on account of safety issues:**

There were no instances of product recalls on account of safety issues during FY24.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The Company has in place Cyber Security Policy and Data Privacy Policy to ensure sufficient safeguards are in place to prevent any data leakage. The Company has a well-institutionalised information security management system based on internationally recognised standards and best practices and is continuously improving its cyber security posture to safeguard from emerging cyber threats to its business. For further details please refer to the "Internal Control Systems & their Adequacy" in the section of Management Discussion & Analysis. The policy is available to internal stakeholders and is placed on the intranet of the Company.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not Applicable

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches	5
b. Percentage of data breaches involving personally identifiable information of customers	0
c. Impact, if any, of the data breaches	-

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Detailed information on products and services of the entity can be accessed from the following links:

https://www.gmmpfaudler.com/

https://www.gmmpfaudler.com/services/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Operational Manuals provided with the equipment. Multiple interactive training sessions conducted at customer premises for educating customers on safe and responsible usage of products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

We proactively notify customers by email or phone of any service disruptions/discontinuation that may impact them.

4	**Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)**	Not Applicable
	If yes, provide details in brief.	Not Applicable
	Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)	No

Independent Auditor's Report

To The Members of GMM Pfaudler Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GMM Pfaudler Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Responsibility 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition on contracts with customer** The Company generates its revenue from customer specific contracts where performance obligations are satisfied over a period of time. These contracts are accounted based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is thus dependent on estimates in relation to total estimated costs of each contract. This area is considered as key audit matter due to the size of revenue generated from customer specific contracts. Furthermore, accounting for the contracts involves both judgement, in assessing whether the criteria set out in the Ind AS 115 "Revenue from contracts with the customers" have been met, and estimates, related to future costs, the final outcome of the contract and the stage of completion. Contingencies related to cost in the estimates are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.	**Principal audit procedures performed:** • As part of our audit, we obtained an understanding of the methodology applied, the internal processes and the key controls used to determine the estimates, related to future costs, final outcome of the contract and the stage of completion. • We evaluated the processes and IT systems used to record actual costs incurred, tested the manual controls and automated controls implemented in the IT systems. • As part of our work, we focused on management's judgement in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations. • We obtained and reviewed contract list and calculation and tested the calculation of stage of completion including the cost incurred and recorded against the contract for occurrence and accuracy, assessing the basis for determining the costs to complete and total contract cost on sample basis and re performing the percentage of completion calculation. • We challenged management in respect of the reasonableness of estimates made regarding the cost to complete contract and the timing of recognition of revenue. We also assessed whether management's policies and processes for making these estimates continue to be appropriate and are applied consistently over time and to contracts of a similar nature.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board`s Report including annexures to Board's Report, corporate governance report and Business Responsibility and Sustainability Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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.

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

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.

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

1. As required by Section 143(3) of the Act, based on our audit 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.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

      in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   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 Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 45 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(s) or entity(ies), 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 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, other than as disclosed in the note 45 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 performed that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

      v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

      The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Act.

      As stated in note 47 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

      vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

      As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 24116642BKDLCC8383

Place: Mumbai
Date: May 22, 2024

Annexure"A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **GMM Pfaudler Limited** ("the Company") as at 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

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 issued by the Institute of Chartered Accountants of India. 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 financial statements, whether due to fraud or error.

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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls 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 criteria for internal financial control with reference to standalone financial statements 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 issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 24116642BKDLCC8383

Place: Mumbai
Date: May 22, 2024

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, Capital work-in-progress and right-of-use assets, so to cover all the items once every 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 program, certain Property, Plant and Equipment and Capital work-in- progress were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 Crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarter.

(iii) The Company has not provided guarantee or security and granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in and granted unsecured loans during the year in respect of which:

(a) The Company has provided loans to employees during the year and details are given below:

(₹ in Crore)

Particulars	Loans
A. Aggregate amount granted / provided during the year	0.93
B. Balance outstanding as at balance sheet date	0.95

(b) The investments made and the terms and conditions of the grant of the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, Professional Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Provident Fund, Professional tax and Employees' State Insurance dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, Professional Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ in Crores)	Period to which the Amount Relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	4.12	AY 2010-11, 2011-12, 2012-13, 2013-14, 2017-18	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.08	AY 2007-08, AY 2008-09	The Assessing Officer (AO)
Central Sales Tax Act, 1956	Sales Tax	0.24*	FY 2006-07, 2007-08, 2008-09	Central Excise & Service Tax Tribunal
Finance Act, 1994	Service Tax	0.09^	FY 2008-09, 2009-10, 2012-13	Central Excise & Service Tax Tribunal
Finance Act, 1994	Service Tax	0.02#	FY 2011-12, 2013-14	The Commissioner (Appeals)

*Net of ₹0.15 Crore paid under protest
^Net of ₹0.11 Crore paid under protest
#Net of ₹0.09 Crore paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act. Further there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 24116642BKDLCC8383

Place: Mumbai
Date: May 22, 2024

Standalone Balance Sheet

as at March 31, 2024 (₹ in Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non Current assets			
(a) Property, plant & equipment	6	155.72	170.03
(b) Right of Use Assets	7	61.69	44.02
(c) Capital work-in-progress	8	9.15	6.54
(d) Goodwill		5.93	5.93
(e) Other Intangible Assets	9	7.16	12.17
(f) Financial Assets			
(i) Investments	10	519.05	519.05
(ii) Others	12	8.49	10.24
(g) Non-current Tax Assets (net)	13	0.39	-
(h) Other non-current assets	14	0.54	1.41
Total Non Current Assets		**768.12**	**769.39**
(2) Current Assets			
(a) Inventories	15	133.77	199.14
(b) Financial Assets			
(i) Trade Receivables	16	171.84	197.43
(ii) Cash and Cash Equivalents	17	23.09	36.25
(iii) Bank balances other than (ii) above	17	3.40	1.92
(iv) Loans	11	0.95	0.44
(v) Others	12	114.98	103.67
(c) Other current assets	14	9.56	14.69
(d) Assets classified as held for sale	6	0.21	-
Total Current Assets		**457.80**	**553.54**
Total Assets		**1,225.92**	**1,322.93**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	8.99	8.99
(b) Other Equity	19	742.20	698.99
Total Equity		**751.19**	**707.98**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	110.95	216.40
(ii) Lease liabilities	21	15.87	0.53
(b) Deferred tax liabilities (net)	22	4.55	5.85
(c) Provisions	26	1.28	-
Total Non-current liabilities		**132.65**	**222.78**
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	154.28	114.74
(ii) Lease liabilities	21	6.12	4.97
(iii) Trade payables due to			
- Micro and Small Enterprises	23	14.20	0.67
- Other than Micro and Small Enterprises	23	104.50	153.19
(iv) Others	24	20.22	20.15
(b) Other current Liabilities	25	34.31	91.13
(c) Provisions	26	8.37	7.06
(d) Current tax liabilities (Net)	13	-	0.26
(e) Liabilities directly associated with assets classified as held for sale		0.08	-
Total Current liabilities		**342.08**	**392.17**
Total Equity and Liabilities		**1,225.92**	**1,322.93**

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

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Standalone Statement of Profit & Loss

for the year ended March 31, 2024 (₹ in Crores)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
INCOME			
Revenue from operations	27	1,030.61	1,074.79
Other income	28	1.98	23.33
Total income		**1,032.59**	**1,098.12**
EXPENSES			
Cost of materials consumed	29	473.30	537.13
Changes in inventories of finished goods and work in progress	30	50.96	(8.83)
Employee benefits expense	31	106.25	96.42
Finance cost	32	34.35	27.12
Depreciation and amortisation expense	6,7&9	36.71	36.38
Labour charges		83.68	78.54
Other expenses	33	177.63	200.29
Total expenses		**962.88**	**967.05**
Profit before tax		**69.71**	**131.07**
Tax expenses			
Current tax	22	19.97	31.47
Excess provision for tax relating to prior years	22	-	(0.68)
Deferred tax	22	(1.31)	1.34
Total Tax expenses		**18.66**	**32.13**
Profit for the year		**51.05**	**98.94**
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
(i) Actuarial gain / (loss) on gratuity obligations		(1.26)	0.09
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (i-ii)		**(1.26)**	**0.09**
Total comprehensive income for the year		**49.79**	**99.03**
Earnings per equity share :	43		
Basic (in ₹)		11.36	22.28
Diluted (in ₹)		11.35	22.27

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

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Standalone Statement of Cash Flow

for the year ended March 31, 2024 (₹ in Crores)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		69.71	131.07
Adjustments for :			
Depreciation and amortisation expenses		36.71	36.38
Net (gain) / loss on disposal of property, plant & equipment including asset held for sale		(0.36)	(18.98)
Net loss on current investments designated as fair value through profit or loss		-	0.07
Net gain on sale of current investments		-	(0.08)
Share based payment to employees (net)		0.87	0.99
Interest income		(0.36)	(0.05)
Finance cost		34.35	27.12
Provision for doubtful debts and liquidated damages		5.92	1.73
Provision for warranty		(0.40)	1.07
Unrealised foreign exchange fluctuation loss		0.42	2.17
Operating Profit before working capital changes		**146.86**	**181.49**
Adjustments for :			
Decrease in Inventories		65.37	31.46
Decrease / (Increase) in Trade receivable, loans and other financial & non financial assets		11.95	(114.42)
Decrease in Trade payables, provisions and other financial & non financial liabilities		(90.71)	(9.95)
Cash generated from operations		**133.47**	**88.58**
Direct taxes paid		(20.62)	(30.11)
Net cash generated from operating activities	A	**112.85**	**58.47**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment, including intangible assets		(12.53)	(38.05)
Proceeds from sale of property, plant and equipment including asset held for sale		0.90	24.57
Proceeds from sale of current investments		-	0.09
Redemption of deposit from / (deposit in) bank (net) (including margin money deposits)		2.54	(4.75)
Interest received		0.44	0.05
Purchase of balance share in subsidiary (including transaction costs)		-	(177.39)
Net cash used in investing activities	B	**(8.65)**	**(195.48)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings		235.42	330.55
Repayment of short term borrowings		(206.12)	(276.00)
Proceeds from long term borrowings		-	173.38
Repayment of long term borrowings		(95.65)	(27.52)
Finance cost paid		(33.67)	(25.10)
Dividend paid		(8.86)	(8.95)
Payment of lease liabilities		(8.48)	(7.84)
Net cash (used in) / generated from financing activities	C	**(117.36)**	**158.52**

Standalone Statement of Cash Flow (Contd.)

for the year ended March 31, 2024 (₹ in Crores)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
Net (Decrease) / Increase in Cash & Cash Equivalents	(A+B+C)	**(13.16)**	**21.51**
Cash & Cash Equivalents at the beginning of the year		36.25	14.74
Cash & Cash Equivalents at the end of the year		**23.09**	**36.25**
COMPONENTS OF CASH AND BANK BALANCES			
Cash & Cash equivalent			
Cash and stamps on hand		0.02	0.02
Balances with banks			
- In current accounts		23.07	36.23
		23.09	**36.25**

Disclosure as per para 44A as set out in Ind AS 7 on cash flow statement under companies (Indian Accounting Standards) Rules, 2015 (as amended): (₹ in Crores)

Particulars of liabilities arising from financing activities	Note	Year ended March 31, 2023	Net cash flows	Non cash changes		Year ended March 31, 2024
				Other changes*	Impact due to Ind AS 116	
Borrowings:						
Long term borrowings including current maturities of long term borrowing	20	276.59	(95.65)	0.44	-	181.38
Short term borrowings	20	54.55	29.30	-	-	83.85
Interest accrued on borrowings	24	1.29	(33.67)	33.28	-	0.90
Lease liabilities	21	5.50	(8.48)	1.07	23.90	21.99

* The same relates to amount charged in Statement of Profit and Loss.

The Statement of Cash Flow has been prepared under the "Indirect Method" set out in Ind AS 7 Statement of Cash Flow.

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Standalone Statement of Changes In Equity

for the year ended March 31, 2024

A. Equity Share Capital

(₹ in Crores)

Particulars	Amount
Balance at April 1, 2022	**2.92**
Changes in equity share capital during the year	6.07
Balance at March 31, 2023	**8.99**
Balance at April 1, 2023	**8.99**
Changes in equity share capital during the year	-
Balance at March 31, 2024	**8.99**

B. Other Equity

Particulars	Capital Reserve*	Securities Premium	General Reserve	Cash Subsidy Reserve	Retained Earnings	Share options outstanding reserve	Total
Balance as on April 1, 2022	**0.00**	**14.93**	**21.13**	**0.07**	**405.08**	**0.49**	**441.70**
Profit for the year	-	-	-	-	98.94	-	98.94
Other comprehensive income for the year, net of income tax	-	-	-	-	0.09	-	0.09
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**99.03**	**-**	**99.03**
Less : Utilization on issue of bonus shares	-	(5.85)	-	-	-	-	(5.85)
Add : Premium on issue of shares pursuant to acquisition	-	170.18	-	-	-	-	170.18
Less : Payment of dividends	-	-	-	-	(8.89)	-	(8.89)
Add : Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.82	2.82
Balance as on March 31, 2023	**0.00**	**179.26**	**21.13**	**0.07**	**495.22**	**3.31**	**698.99**
Balance as at April 1, 2023	**0.00**	**179.26**	**21.13**	**0.07**	**495.22**	**3.31**	**698.99**
Profit for the year	-	-	-	-	51.05	-	51.05
Other Comprehensive Income for the year, net of income tax	-	-	-	-	(1.26)	-	(1.26)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**49.79**	**-**	**49.79**
Less : Payment of dividends	-	-	-	-	(8.99)	-	(8.99)
Add : Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.41	2.41
Balance as on March 31, 2024	**0.00**	**179.26**	**21.13**	**0.07**	**536.02**	**5.72**	**742.20**

* amounting to ₹17,250

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Notes to Standalone Financial Statements

for the year ended March 31, 2024

1. Corporate information

GMM Pfaudler Limited, formerly Gujarat Machinery Manufacturers Limited, ("the Company") was incorporated in India on November 17, 1962. The Company's registered office is situated at Vithal Udyognagar, Anand - Sojitra Road, Karamsad, Anand, Gujarat – 388325. The Company's manufacturing units are located at Karamsad & Vatva, Gujarat and Hyderabad, Telangana. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

The Company is the leading technologies, systems and services provider for the chemical and pharmaceutical industries, as well as many others. The Company designs, manufactures, installs and services corrosion-resistant equipment and complete chemical process systems, customized as per the requirements of the customers.

2. Statement of compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with companies (Indian Accounting standard) Rules, as amended and other relevant provisions of the Act.

3. Basis of Preparation of Financial Statements

a) Basis of preparation and presentation

The standalone financial statements have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. (refer note no. g)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b) Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are stated in rupee crore.

4. Material Accounting Policies

a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalised and depreciated over the useful

Notes to Standalone Financial Statements

for the year ended March 31, 2024

life of the principal item of the relevant class of assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital Work in Progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit & loss.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

b) Depreciation and Amortisation, Useful life of Property, Plant & Equipment and Intangible Assets

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Name of Assets	Useful life
A) Burning Scaffold and Pilot Plant (included under Plant & Machinery)	3 years
B) Telephones (included under Office Equipment)	3 years
C) Vehicles	6 years
D) Solar Power Plant	10 years

Items costing less than ₹ 5000/- are fully depreciated in the year of put to use / purchase.

Leasehold improvements are amortized equally over the period of lease.

Amortisation

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Name of Assets	Useful life
A) Computer Software	3-6 years
B) Technical Knowhow	3 years
C) Backlog	1 year
D) Process Knowhow	10 years
E) Non-Compete agreement	3 years

c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant and equipment, intangible assets and investment carried at cost to determine whether there is an indication that those assets may be impaired. If any such indication exists, the Company estimates the asset's recoverable amount in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-

Notes to Standalone Financial Statements

for the year ended March 31, 2024

generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an individual asset or CGU is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

The Company reviews at each reporting date whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the recoverable amount of an asset or CGU. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such reversal is made only to the extent that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the assets may be impaired.

d) Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

e) Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

f) Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined on the weighted average method and is net of tax credits and after providing for obsolescence and other losses. Cost includes all charges in bringing the goods to their existing location and conditions, including various tax levies (other than those subsequently recoverable from the tax authorities), transit insurance and receiving charges. Cost of work-in-progress and finished goods include cost of direct materials consumed, labour cost and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Net realizable value is the contracted selling value less the estimated costs of completion and the estimated costs necessary to make the sales.

g) Financial Instruments

Financial assets and/or financial liabilities are recognized when the Company becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

(I) Financial assets:

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

The Company measures investment in subsidiaries at cost less impairment loss, if any, as per Ind AS 27 – Separate Financial Statements. Transaction costs incurred in connection with investment in subsidiaries are capitalized in the cost of investment.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

iv. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for trade receivables. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment.

(II) Financial liabilities:

i. Initial recognition and measurement of financial liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognized initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of each subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

iii) De-recognition of Financial Liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

h) Cash & Cash Equivalents

Cash and cash equivalents consist of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

i) Revenue Recognition

Revenue towards satisfaction of performance obligation from contracts with customers is

Notes to Standalone Financial Statements

for the year ended March 31, 2024

recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, acceptance of delivery by the customer, etc.

In respect of fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting based on the progress towards complete satisfaction of the performance obligation of the contract at the reporting date. The progress is measured based on the Company's efforts or inputs to the satisfaction of the performance obligation, by reference to the costs incurred up to the end of reporting period and costs to complete as a percentage of total estimated costs in the contract.

Estimates of revenues, cost or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

In respect of variable consideration, the nature of the contracts gives rise to several types of variable considerations including but not limited to claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Company estimates the amount of revenue to be recognized on variable consideration using the expected value or the most likely amount method, whichever is expected to better predict the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and Performance penalty, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unbilled Revenues are recognised when there is an excess of revenue earned over billings on contracts.

Contract assets in the nature of unbilled revenues are initially recognised for revenue earned from operations as receipt of consideration is conditional on successful completion of performance obligation. Upon fulfilment of performance obligation and acceptance by the customer, the amounts recognised as unbilled revenues are reclassified to Trade Receivables.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from customer. Contract liabilities are classified as advance from customers and recognised as revenue when the Company performs under the project.

Other Income:

Dividend income is recognized when the right to receive the same is established.

Interest income is recognized on accrual basis.

j) Product Warranty Expenses

Provision is made in the financial statements for the estimated liability on account of costs that may be incurred on products sold under warranty. The estimates for the costs to be incurred for providing free service under warranty are determined based on historical information, past experience, average cost of warranty claims that are provided for in the year of sale.

k) Employee Benefits

Employee benefits include provident fund, superannuation fund, family pension fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund, family pension fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit & loss. Past service cost is recognised in statement of profit & loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in statement of profit & loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, sick leave and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of long-term employee benefits in form of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Share-based payment transactions of the Company

Certain eligible Employees of the Company and its subsidiaries receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) of the listed parent entity i.e., GMM Pfaudler Limited.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the

Notes to Standalone Financial Statements

for the year ended March 31, 2024

expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The Company raises recharge invoices to subsidiaries for the shares granted to the respective subsidiaries' employees based on the fair value of the options determined on grant date and netted of against the share based payment expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

l) Operating Expenses

Operating Expenses are charged to statement of Profit and Loss on accrual basis.

m) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract 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. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non- cancellable period of a lease.

Right of Use Assets

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 amortisation and impairment losses.

Lease liabilities

The lease liability is initially measured at amortized cost 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 in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed

Notes to Standalone Financial Statements

for the year ended March 31, 2024

only when an inflow of economic benefits is probable in the financial statements.

o) Taxation

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q) Non-Current Assets held for Sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non- current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

r) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non- current classification of assets and liabilities.

s) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

t) Use of Estimates:

The preparation of financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1. Useful lives of property, plant and equipment (refer note no. 4b & 6,7 & 9)
2. Provision for Warranty Expense (refer note no. 4j & 26)
3. Recognition of Revenue over a period of time (refer note no. 4i & 27)
4. Defined benefit plans (refer note no. 4k & 36)

5. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards.

Note 6: Property, Plant & Equipment

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK					DEPRECIATION					NET BLOCK
	As on 01.04.2023	Additions	Transfer to Assets Held for Sale	Deductions	As on 31.03.2024	Upto 01.04.2023	For the Year	Transfer to Assets Held for Sale	On Deductions	Upto 31.03.2024	As on 31.03.2024
Freehold Land	38.52	-	-	-	38.52	-	-	-	-	-	38.52
Leasehold Improvement	8.20	0.22	-	-	8.42	6.85	1.40	-	-	8.25	0.17
Buildings	52.85	1.70	0.38	-	54.17	8.34	2.01	0.17	-	10.18	43.99
Plant & Machineries	120.68	6.89	-	15.24	112.33	53.21	15.84	-	15.04	54.01	58.32
Office Equipment	18.12	1.06	-	0.25	18.93	6.68	3.06	-	0.24	9.50	9.43
Furniture & Fixtures	3.06	0.13	-	-	3.19	1.60	0.45	-	-	2.05	1.14
Vehicles	8.81	0.66	-	0.64	8.83	3.53	1.47	-	0.32	4.68	4.15
Total	**250.24**	**10.66**	**0.38**	**16.13**	**244.39**	**80.21**	**24.23**	**0.17**	**15.60**	**88.67**	**155.72**

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK					DEPRECIATION					NET BLOCK
	As on 01.04.2022	Additions	Transfer to Assets Held for Sale	Deductions	As on 31.03.2023	Upto 01.04.2022	For the Year	Transfer to Assets Held for Sale	On Deductions	Upto 31.03.2023	As on 31.03.2023
Freehold Land	38.52	-	-	-	38.52	-	-	-	-	-	38.52
Leasehold Improvement	8.20	-	-	-	8.20	5.07	1.78	-	-	6.85	1.35
Buildings	47.72	5.13	-	-	52.85	6.47	1.87	-	-	8.34	44.51
Plant & Machineries	95.03	25.84	-	0.19	120.68	38.71	14.64	-	0.14	53.21	67.47
Office Equipment	11.88	6.55	-	0.31	18.12	4.43	2.56	-	0.31	6.68	11.44
Furniture & Fixtures	2.96	0.12	-	0.02	3.06	1.11	0.51	-	0.02	1.60	1.46
Vehicles	6.79	3.41	-	1.39	8.81	2.98	1.48	-	0.93	3.53	5.28
Total	**211.10**	**41.05**	**-**	**1.91**	**250.24**	**58.77**	**22.84**	**-**	**1.40**	**80.21**	**170.03**

Notes:

1. There are no adjustment to Property, Plant & Equipment on account of borrowing costs.
2. Refer Note 20 for details of Charge/ pledge on above assets.
3. During the current year, the Company has decided to sell its branch office. Accordingly, the Company has reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹ 0.21 Crores as they met the criteria laid out under Indian Accounting Standard 105. The Company has plan to close the deal within a year. The proceeds of sale are expected to exceed the carrying value of the related assets and hence, no impairment loss has been recognised on the reclassification of the said assets.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 7: Right of Use Assets

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2023	Additions	Deductions	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Upto 31.03.2024	As on 31.03.2024
Land and Buildings	66.90	25.08	-	91.98	22.88	7.41	-	30.29	61.69
Total	**66.90**	**25.08**	**-**	**91.98**	**22.88**	**7.41**	**-**	**30.29**	**61.69**

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2022	Additions	Deductions	As on 31.03.2023	Upto 01.04.2022	For the Year	On Deductions	Upto 31.03.2023	As on 31.03.2023
Land and Buildings	66.64	0.26	-	66.90	16.33	6.55	-	22.88	44.02
Total	**66.64**	**0.26**	**-**	**66.90**	**16.33**	**6.55**	**-**	**22.88**	**44.02**

Note 8: Capital work in progress

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work in progress	9.15	6.54
Total	**9.15**	**6.54**

(a) Capital work in progress ageing schedule (₹ in Crores)

Particulars	As at March 31, 2024					As at March 31, 2023				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in progress	5.56	2.26	0.35	0.97	9.15	3.81	1.76	-	0.97	6.54
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below:

(₹ in Crores)

Particulars	As at March 31, 2024					As at March 31, 2023				
	To be completed in					To be completed in				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Buildings	1.52	-	-	-	1.52	0.67	-	-	-	0.67
Plant & Machineries	7.30	-	-	-	7.30	4.04	-	-	-	4.04
Office Equipment	0.22	-	-	-	0.22	0.02	-	-	-	0.02
Total	**9.04**	**-**	**-**	**-**	**9.04**	**4.73**	**-**	**-**	**-**	**4.73**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 9: Other Intangible Assets

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2023	Additions	Deductions	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Upto 31.03.2024	As on 31.03.2024
Computer software	11.39	0.06	-	11.45	8.64	1.81	-	10.45	1.00
Technical knowhow	0.22	-	-	0.22	0.15	0.02	-	0.17	0.05
Backlog	0.43	-	-	0.43	0.43	-	-	0.43	-
Process knowhow	12.07	-	-	12.07	9.96	1.21	-	11.17	0.90
Non-Compete agreement	15.64	-	-	15.64	8.40	2.03	-	10.43	5.21
Total	**39.75**	**0.06**	**-**	**39.81**	**27.58**	**5.07**	**-**	**32.65**	**7.16**

(₹ in Crores)

	GROSS BLOCK				AMORTISATION				NET BLOCK
CLASS OF ASSETS	As on 01.04.2022	Additions	Deductions	As on 01.04.2023	Upto 01.04.2022	For the Year	On Deductions	Upto 01.04.2023	As on 01.04.2023
Computer software	11.04	0.50	0.15	11.39	7.07	1.72	0.15	8.64	2.75
Technical knowhow	0.22	-	-	0.22	0.14	0.01	-	0.15	0.07
Backlog	0.43	-	-	0.43	0.43	-	-	0.43	-
Process knowhow	12.07	-	-	12.07	8.75	1.21	-	9.96	2.11
Non-Compete agreement	15.64	-	-	15.64	4.35	4.05	-	8.40	7.24
Total	**39.40**	**0.50**	**0.15**	**39.75**	**20.74**	**6.99**	**0.15**	**27.58**	**12.17**

Depreciation and Amortisation Expense (₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation of Property, Plant and Equipment (Refer Note 6)	24.23	22.84
Amortisation of Right to Use Assets (Refer Note 7)	7.41	6.55
Amortisation of Intangible Assets (Refer Note 9)	5.07	6.99
Total Depreciation and Amortisation expense	**36.71**	**36.38**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 10: Investments

(₹ in Crores)

Particulars	Face value (₹)	Quantity	Amount	Quantity	Amount
		As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
Non Current					
Equity Shares of Subsidiary Companies (unquoted) (at cost)					
Mavag AG (Face Value CHF 1,000)	1,000	5,000	21.39	5,000	21.39
GMM International S.a.r.l (Face Value USD 0.01)** (Refer Note 10.1 below)	0.01	4,40,24,467	497.64	4,40,24,467	497.64
GMM Pfaudler Foundation (Face Value ₹ 10)	10	9,999	0.01	9,999	0.01
			519.04		**519.04**
Shares in Co-operative Societies (unquoted) (at fair value)					
Charotar Gas Sahakari Mandali Limited #	500	10	0.00	10	0.00
			0.00		**0.00**
Equity Shares (unquoted) (at fair value)					
Futura Polyesters Limited *	10	100	0.00	100	0.00
Mana Effluent Treatment Plant Limited	1,000	50	0.01	50	0.01
			0.01		0.01
Total			519.05		**519.05**

(* Unit 100 and Value ₹385/-)

(** These shares are pledged against borrowings availed by GMM International S.a.r.l & its Subsidiaries)

(# Unit 10 and Value ₹5000/-)

Note:

10.1: The Shareholders of GMM Pfaudler Limited ("the Company") in an extra ordinary general meeting held on September 01, 2022, granted approval for acquisition of balance 46% of the paid-up share capital of its existing overseas subsidiary, GMM International S.à.r.l from Pfaudler International S.a.r.l (part of the promoter group) and Millars Concrete Technologies Private Limited (part of the promoter group), for an aggregate consideration of ₹343.78 Crore (excluding acquisition cost). The acquisition was completed on September 29, 2022 after obtaining all the relevant approvals and settling the consideration as below. Consequent to this, GMM International S.à.r.l has become a wholly owned subsidiary of the Company.

a) The Company paid cash consideration of ₹149.47 Crore to Pfaudler International S.à.r.l, for the transfer of 1,09,51,360 ordinary shares of GMM International S.à.r.l to the Company,

b) The Company paid cash consideration of ₹23.91 Crore to Millars Concrete Technologies Private Limited, for the transfer of 17,51,922 ordinary shares of GMM International S.à.r.l to the Company,

c) The Company issued and allotted 11,04,724 equity shares of the Company having face value of ₹2 each, at a price of ₹1,542.43 per equity share on a preferential basis to Millars Concrete Technologies Private Limited for the transfer of 1,24,84,846 ordinary shares of GMM International S.à.r.l to the Company.

Further acquisition cost amounting to ₹4.01 Crore is capitalised to investments.

For category wise classification of investments - as per Ind AS 109, Refer Note 39.2

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 11: Loans

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
(Unsecured, Considered good)		
Loans to employees	0.95	0.44
Total	0.95	**0.44**

Note:

11.1: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Note 12: Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Security Deposits (including considered doubtful as at March 31, 2024 ₹0.07 Crore, as at March 31, 2023 ₹0.07 Crore)	4.58	4.42
Less : Provision for doubtful security deposits	0.07	0.07
Fixed deposits with maturity more than twelve months (including margin money deposit lodged against bank guarantee as at March 31, 2024 ₹0.30 Crore and as at March 31, 2023 ₹3.74 Crore)	0.30	3.74
Employee Stock Option Plan Receivable (Refer Note 37)	3.68	2.15
Total	8.49	**10.24**
(ii) Current		
Accrued income	0.66	0.74
Unbilled Revenue (Net of advance from customers of ₹35.96 Crore as at March 31, 2024 and as at ₹29.49 Crore March 31, 2023)	114.32	102.93
Total	114.98	**103.67**

Note 13: (Current Tax Liabilities) /Non Current Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax	(22.13)	(98.27)
Advance payment of Tax	22.52	98.01
(Current Tax Liabilities) /Non Current Tax Assets	0.39	**(0.26)**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 14: Other Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Capital Advances (Unsecured, Considered Good)	0.38	1.41
Balances With Indirect Tax Authorities (Net off provision of doubtful balance of ₹0.30 Crore for March 31, 2024 and ₹0.30 Crore for March 31, 2023)	0.16	-
Total	**0.54**	**1.41**
(ii) Current		
Balances With Indirect Tax Authorities (Net off provision of doubtful balance of ₹0.40 Crore for March 31, 2024 and ₹0.40 Crore for March 31, 2023)	0.21	0.04
Prepaid Expenses	3.75	4.21
Advance to Suppliers (Unsecured, Considered Good):		
Related party (Refer Note 41)	0.36	0.44
Others	2.75	7.73
Employee Advances (Refer Note 14.1)	0.16	0.07
Export Benefit Receivable	2.28	2.16
Others	0.05	0.04
Total	**9.56**	**14.69**

Note:

14.1: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Note 15: Inventories

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw materials (including in transit as at March 31, 2024 ₹8.70 Crore and as at March 31, 2023 ₹0.34 Crore)	75.03	88.35
Work-in-progress	39.86	85.00
Finished goods (including in transit as at March 31, 2024 ₹6.00 Crore and as at March 31, 2023 ₹4.72 Crore)	8.69	14.51
Stores and spares	10.19	11.28
Total	**133.77**	**199.14**

Note:

15.1: Inventories are hypothecated as security for borrowings as disclosed under Note 20

15.2: During the year, write down of inventories was recognised amounting to ₹3.80 Crore for the year ended March 31,2024 and write back of ₹2.58 Crore for the year ended March 31,2023)

Note 16: Trade receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good	171.84	197.43
Trade Receivable which have significant increase in Credit risk	16.80	14.88
	188.64	**212.31**
Less : Allowance for doubtful debts	16.80	14.88
Total	**171.84**	**197.43**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 16: Trade receivables (Contd.)

Note:

16.1: Trade Receivables are given as security for borrowings as disclosed under Note 20

16.2: Includes Trade Receivables from Related Parties, Refer Note 41

16.3: No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.

16.4: Trade receivable are collectable between 30-60 days considering business and commercial arrangements with the customers.

16.5: The Company has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the Company in the receivables as identified. Receivables sold as on March 31, 2024 are of ₹32.49 Crore and as on March 31, 2023 are Nil. The Company has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables.

(₹ in Crores)

Movement in the Expected Credit Loss allowance	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at beginning of the year	14.88	13.15
Add : Provision made during the year	3.61	3.24
Less : Provision used during the year	1.69	1.51
Balance at the end of the year	**16.80**	**14.88**

Trade receivables ageing schedule as at March 31, 2024 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables							
(i) Considered good	37.14	120.14	13.87	0.47	-	0.22	171.84
(ii) which have significant increase in credit risk	-	1.00	3.57	8.48	1.74	0.19	14.98
Disputed Trade Receivables							
(i) which have significant increase in credit risk	-	-	-	0.07	1.07	0.68	1.82
	37.14	**121.14**	**17.44**	**9.02**	**2.81**	**1.09**	**188.64**
Less : Allowance for doubtful debts							16.80
Total Trade receivables							**171.84**

Trade receivables ageing schedule as at March 31, 2023 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables							
(i) Considered good	25.83	150.86	20.23	0.29	0.22	-	197.43
(ii) which have significant increase in credit risk	-	4.85	3.57	3.44	0.67	0.32	12.85
Disputed Trade Receivables							
(i) which have significant increase in credit risk	-	-	0.25	0.93	0.15	0.70	2.03
	25.83	**155.71**	**24.05**	**4.66**	**1.04**	**1.02**	**212.31**
Less : Allowance for doubtful debts							14.88
Total Trade receivables							**197.43**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 17: Cash and Cash equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.02	0.02
Balances with banks		
In current accounts	23.07	36.23
	23.09	36.25
Other Bank Balances		
Fixed deposits with original maturity more than three months and less than twelve months (including margin money deposit lodged against bank guarantee and letter of credit as at March 31, 2024 ₹2.48 Crore and as at March 31, 2023 ₹1.47 Crore)	2.48	1.58
In unpaid dividend accounts - earmarked balances (Refer Note 24.1)	0.42	0.34
In unspent Corporate Social Responsibility fund - earmarked balances (Refer Note 42)	0.50	-
	3.40	1.92

Note 18: Equity Share Capital

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised:		
50,000,000 (March 31, 2023: 50,000,000) Equity shares of ₹2 each	10.00	10.00
Issued, Subscribed and Paid Up:		
4,49,57,224 (March 31, 2023: 4,49,57,224) Equity shares of ₹2/- each fully paid up	8.99	8.99
Total	8.99	8.99

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
Issued and Subscribed :				
Balance as at the beginning of the year	4,49,57,224	8.99	1,46,17,500	2.92
a) Issuance of Bonus Shares (Refer Note 18d(1))	-	-	2,92,35,000	5.85
b) Issuance of equity shares on preferential basis to Millars Concrete Technologies Private Limited (Refer Note 18d(2))	-	-	11,04,724	0.22
Balance as at the end of the year	**4,49,57,224**	**8.99**	**4,49,57,224**	**8.99**

(b) Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value ₹2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 18: Equity Share Capital (Contd.)

(c) Details of shareholders holding more than 5% shares in the Company :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% holding	No. of Shares	% holding
Pfaudler Inc.	-	-	65,44,389	14.56%
Millars Machinery Company Private Limited	43,36,357	9.65%	38,86,785	8.65%
Urmi Ashok Patel	23,60,022	5.25%	23,60,022	5.25%

(d) Buyback of Shares, Bonus Shares and Shares issued for Consideration other than cash :

1. Pursuant to approval granted by the shareholders of the Company on June 26, 2022 through Postal ballot for issue of Bonus Shares. The Allotment Committee of Board of Directors at their meeting held on July 14, 2022 approved allotment of 2,92,35,000 Equity Shares having face value of ₹2 each as fully paid-up Bonus Equity Shares, in the ratio of 2:1 i.e. 2 (Two) Equity Shares having face value of ₹2 each for every 1 (One) equity share having face value of ₹2 each held by the shareholders of the Company as on July 12, 2022 being the record date.
2. Pursuant to approval granted by the Board of Directors and after obtaining all the relevant approvals on September 01, 2022, the Company has allotted 11,04,724 fully paid-up equity shares of the Company having face value of ₹2 each, at a price of ₹1,542.43 each on a preferential basis to Millars Concrete Technologies Private Limited on September 29, 2022 for consideration other than cash for the transfer of 1,24,84,846 ordinary shares of GMM International S.a.r.l to the Company.
3. The Company has not bought back any shares in the past five years.

(e) Shares reserved for issue under options and contracts :

Refer Note 37 for details of shares to be issued under employee stock option Scheme (ESOP 2021)

(f) Details of Equity shares held by promoter and promoter group at the end of year :

Shares held by promoters at the end of the year		As at March 31, 2024		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	1.00%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Pfaudler Inc.#	-	0.00%	-14.56%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	**1,13,20,283**	**25.18%**	

Pfaudler Inc. has sold off its entire holding and have ceased to be 'Promoter and Promoter Group'.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 18: Equity Share Capital (Contd.)

Shares held by promoters at the end of the year		As at March 31, 2023		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-0.03%
2	Ashok Jethabhai Patel	20,235	0.05%	0.00%
3	Urmi Ashok Patel	23,60,022	5.25%	1.01%
4	A J Patel HUF	8,31,705	1.85%	-0.05%
5	Panna Shailendra Patel	1,01,250	0.23%	-0.01%
6	Pragna Satish Patel	48,480	0.11%	0.00%
7	Palomita Shailendra Patel	3,600	0.01%	0.00%
8	A J Patel Charitable Trust	7,59,375	1.69%	-0.04%
9	Millars Machinery Company Private Limited	38,86,785	8.65%	-0.22%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-0.07%
11	Pfaudler Inc.	65,44,389	14.56%	-18.12%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	2.46%
	Total	**1,74,15,100**	**38.74%**	

Note 19: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve*:		
Balance at the beginning of the year	0.00	0.00
Movement during the year	-	-
Balance at the end of the year	**0.00**	**0.00**
* Balance at the beginning and at the end of the year ₹17,250/-		
Cash Subsidy Reserve:		
Balance at the beginning of the year	0.07	0.07
Movement during the year	-	-
Balance at the end of the year	**0.07**	**0.07**
Securities Premium:		
Balance at the beginning of the year	179.26	14.93
Movement during the year (Refer Note 18d)	-	164.33
Balance at the end of the year	**179.26**	**179.26**
General Reserve:		
Balance at the beginning of the year	21.13	21.13
Add: Transfer from Statement of Profit and Loss account	-	-
Balance at the end of the year	**21.13**	**21.13**

GMM Pfaudler

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 19: Other Equity (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Share options outstanding reserve:		
Balance at the beginning of the year	3.31	0.49
Add: Issue of Shares under Employee Stock Option Scheme (Refer Note 37)	2.41	2.82
Balance at the end of the year	**5.72**	**3.31**
Surplus in Statement of Profit and loss:		
Balance at the beginning of the year	495.22	405.08
Add : Net Profit for the year	49.79	99.03
Less : Appropriations:		
Interim Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.50	4.50
Final Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.49	4.39
Balance at the end of the year	**536.02**	**495.22**
Total Other Equity	**742.20**	**698.99**

Nature and Purpose of Reserves:

Capital Reserve:

Capital Reserve represents excess/short of net assets acquired in business combination. It is not available for the distribution to shareholders as dividend.

Cash Subsidy Reserve:

Cash Subsidy Reserve represents subsidies received from state government. It is not available for distribution as dividend to shareholders.

Securities Premium:

Securities Premium represents Security Premium received at the time of issuance of Equity Shares. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Statement of Profit & Loss.

Share options outstanding reserve:

This reserve relates to share options granted by the Company to its employee stock option scheme. Further information about share-based payments to employees is set out in Note 37.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 20: Borrowings

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Long Term Borrowings		
a. Non Current		
Secured (at amortised cost)		
Term Loan from Bank	110.95	216.40
	110.95	**216.40**
b. Current		
Secured (at amortised cost)		
Term Loan from Bank	70.43	60.19
	70.43	60.19
Total Long Term Borrowings (i)	**181.38**	**276.59**
(ii) Short Term Borrowings		
Secured (at amortised cost)		
Working Capital Loans repayable within one year	83.85	29.55
Unsecured (at amortised cost)		
Working Capital Loans repayable within one year	-	25.00
Current Maturities of Long terms borrowings	70.43	60.19
Total Short Term Borrowings (ii)	**154.28**	**114.74**
Total Borrowings (i+ii)	**265.23**	**331.14**

Note:

20.1: The key terms and conditions of outstanding borrowings are as follows:

(₹ in Crores)

Particulars	Currency	Interest rate	Repayment Terms	March 31, 2024	March 31, 2023	Note
Secured Term Loan	INR	9.25%	Quarterly installments until September 2027	36.07	37.99	20.2
Secured Term Loan	INR	8.68%	Monthly installments until September 2027	65.63	75.00	20.2
Secured Term Loan	INR	8.94%	Quarterly installments until September 2027	49.41	60.00	20.2
Secured Term Loan	INR	9.25%	Quarterly installments until May 2025	-	24.35	20.3
Secured Term Loan	INR	9.30%	Quarterly installments until April 2025	-	39.47	20.4
Secured ECB Term Loan	USD	7.89%	Quarterly installments until January 2025	30.27	39.78	20.2
Total Term Loan from bank				**181.38**	**276.59**	
Secured Working Capital Loans	INR	7.15% to 8.86%	Repayable within 1 year	83.85	25.00	20.2 & 20.6
Unsecured Working Capital Loans	INR	7.86% to 8.67%	Repayable within 1 year	-	29.55	20.6
Total				**265.23**	**331.14**	

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 20: Borrowings (Contd.)

20.2: All the above mentioned loans have been secured and a charge has been filed with the Ministry of Corporate Affairs in favor of Axis Trustee Services Limited, on behalf of all the lenders. The details of security is as under:

a) The term loan lenders shall have a first ranking pari passu charge over the immovable properties, moveable fixed assets and a second ranking pari passu charge over the current assets.

b) The working capital lenders shall have a first ranking pari passu charge over the current assets and a second ranking pari passu charge over the immovable properties and moveable properties.

20.3: Secured by charge over immovable property and movable property located at Hyderabad.

20.4: Secured by charge over movable and immovable property located at Vatva (Ahmedabad) Gujarat.

20.5: Instalments falling due within a year in respect of all the above Loans aggregating INR 70.43 Crore (Previous Year 2022-23: INR 60.19 Crore) have been grouped under "Current Maturities of Long term borrowings".

20.6: With regards to the working capital loans, the Company has been duly submitting with all banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, book debts and reduced by relevant trade payables. The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters and there are no material discrepancies.

Note 21: Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current	15.87	0.53
Current	6.12	4.97
Total	**21.99**	**5.50**

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Movement in Lease Liabilities		
Opening Balance	5.50	11.97
Add: Addition made during the year	23.90	0.26
Add: Finance cost accrued during the year (Refer Note 32)	1.07	1.11
Less: Deletion made during the year	-	-
Less: Payment of Lease Liabilities	8.48	7.84
Closing Balance	**21.99**	**5.50**
(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:		
Payable within one year	8.44	5.46
Payable later than one year and not later than five years	18.60	0.35
Payable after five years	-	-
(iii) Lease payments recognised for short term leases in Statement of Profit and Loss during the year (Refer Note 33)	0.45	0.30

Note:

21.1: The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet obligations related to lease liabilities as and when they fall due.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 21: Lease Liabilities (Contd.)

21.2: The Company leases mainly Land, Buildings Office premises & Warehouses. As per Ind AS 116, contracts and related assets that fulfill the definition of a lease are recognized and shown separately as respective Right of Use assets. Such assets are valued by the present value of the discounted lease payments less accumulated amortizations over the lease period. The Buildings, office premises & warehouses leases typically run for a period of 3 to 5 years. Land leases are entered into for a longer periods.

21.3: Amortisation on above leases are accounted for in Depreciation and amortisation expense in the Statement of Profit and Loss (Refer Note 7).

21.4: Interest expenses for lease liabilities are reported in the Finance cost in the Statement of Profit and Loss (Refer Note 32).

Note 22: Deferred Tax Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	6.87	7.94
Deferred tax assets	(2.32)	(2.09)
Net Deferred Tax Liabilities	**4.55**	**5.85**

(₹ in Crores)

Particulars	2023-24			2022-23		
	Opening Balance	Charged to / (Reversed from) Statement of P&L	Closing Balance	Opening Balance	Charged to / (Reversed from) Statement of P&L	Closing Balance
Deferred tax liabilities / (assets) in relation to:						
Property, Plant & Equipment	7.94	(1.21)	6.73	5.65	2.29	7.94
Investments classified as FVTPL	-	-	-	0.03	(0.03)	-
Provision for Doubtful debt	(1.65)	(0.67)	(2.32)	(1.06)	(0.59)	(1.65)
Lease Liabilities	(0.44)	0.58	0.14	(0.11)	(0.33)	(0.44)
Net Deferred Tax Liabilities	**5.85**	**(1.30)**	**4.55**	**4.51**	**1.34**	**5.85**

(a) Reconciliation between average effective tax rate and applicable tax rate : (₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax from Continuing Operations	**69.71**	**131.07**
Income Tax using the Company's Domestic Tax rate #	17.55	32.99
Tax Effect of :		
- Non deductible Expenses	10.80	10.58
- Deduction on account of Expenses allowable in Tax but not claimed in book	(7.99)	(8.50)
- Tax impact on Income charged under Capital Gain/Other Income	(0.31)	1.34
- Changes in recognised deductible temporary differences	(1.31)	1.34
- Tax on account of profit on sale of Property, Plant & Equipment and other adjustments	0.09	(4.91)
- Tax impact on notional income / expense	(0.17)	(0.03)
- Excess Provision for Tax relating to prior years	-	(0.68)
Income Tax recognised in Statement of Profit & Loss	**18.66**	**32.13**
Effective Tax Rate	**26.76%**	**24.52%**

The Tax rate used for Financial Year 2023-24 & 2022-23, in reconciliation above is the corporate tax rate of 25.17% payable by the Company on taxable profits under the Indian Tax Law.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 22: Deferred Tax Liabilities (Contd.)

(b) Income Tax Expense (₹ in Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current Tax:		
Current Income Tax Charge	19.97	30.79
Deferred Tax		
Deferred Tax (Credit) / Charge for the year	(1.31)	1.34
Total Tax Expense recognised in Statement of Profit and Loss	**18.66**	**32.13**

Note 23: Trade payables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to Micro and Small Enterprises (MSE) (Refer Note 44)	14.20	0.67
Dues to other than Micro and Small Enterprises:		
- Acceptances	8.68	-
- Payable to Others	95.82	153.19
Total	**118.70**	**153.86**

Trade payables ageing schedule as at March 31, 2024 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	11.33	2.64	-	-	0.23	14.20
(ii) Acceptances	8.68	-	-	-	-	8.68
(iii) Other than Micro and Small Enterprise	44.42	37.93	0.75	0.01	0.01	83.12
Total	**64.43**	**40.57**	**0.75**	**0.01**	**0.24**	**106.00**
Add: Accrued Expenses						12.70
Total						**118.70**

Trade payables ageing schedule as at March 31, 2023 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	0.25	0.42	-	-	-	0.67
(ii) Acceptances	-	-	-	-	-	-
(iii) Other Creditors	35.63	105.31	1.96	3.28	2.95	149.13
Total	**35.87**	**105.73**	**1.96**	**3.28**	**2.95**	**149.80**
Add: Accrued Expenses						4.06
Total						**153.87**

Note :

23.1: Includes Trade Payables from Related Parties, Refer Note 41.

23.2: The Company has entered into a Supply Chain Financing arrangement underwhich its suppliers can elect to receive a early payment of their invoice from the bank and the bank receives the settlement from the Company at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the Company's suppliers to receive a payment before their due date.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 23: Trade payables (Contd.)

These balances are classified as Acceptances under Trade Payables as the terms are similar to those agreed with the suppliers. The related payments are shown as Cash Flow from operating activities as they continue to be part of the normal operating cycle of the Company.

Note 24: Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Unclaimed Dividend (Refer Note below)	0.42	0.30
Unspent Corporate Social Responsibility Fund (Refer Note 42)	0.50	-
Payables for capital expenditure	0.03	0.25
Employee benefits payable	17.68	18.31
Interest accrued but not due on borrowings	0.90	1.29
Others	0.69	-
Total	**20.22**	**20.15**

Note:

24.1: The amount of Unclaimed Dividend reflects the position as at March 31, 2024. During the year, the Company has transferred an amount of ₹0.04 Crore (Previous year ₹0.04 Crore) to the Investors' Education and Protection Fund in accordance with the provisions of section 125 of the Companies Act, 2013.

Note 25: Other Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Advances from customers (Other than advances related to unbilled revenue)	29.92	82.74
Statutory dues payable	4.39	8.39
Total	**34.31**	**91.13**

Note 26: Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Provision for employee benefits (Note 26.1)	1.28	-
Total	**1.28**	**-**
(ii) Current		
Provision for employee benefits (Note 26.1)	3.87	2.16
Provision for unexpired warranty (Note 26.2)	4.50	4.90
Total	**8.37**	**7.06**

Note:

26.1: Provision for employee benefits includes amount payable to employees on account of Gratuity and compensated absences. Movement of Provision for employee benefits is disclosed under Note 36.

26.2: As per the contractual terms with customers, the Company provides warranty to the customers for 18 months from date of sales or 12 months from date of installation which ever is earlier. The provision is made for such returns/ rejections on the basis of historical warranty trends as per the policy of the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 25: Other Liabilities (Contd.)

Provision for unexpired warranty

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	4.90	3.83
Add: Additional provision made during the year	4.10	3.90
Less: Provision used during the year	4.50	2.83
Closing balance	**4.50**	**4.90**

Note 27: Revenue from Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Sale of products	1,012.02	1,038.40
Other Operating revenues	18.59	36.39
Total	**1,030.61**	**1,074.79**

Disaggregate Revenues from contracts with customer:

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Technology	917.24	936.59
Revenue from Systems	61.84	77.49
Revenue from Services	51.53	60.71
Total	**1,030.61**	**1,074.79**

Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Contract price	1,049.72	1,082.89
Less : Adjustment made to contract price on account of:		
Sales return	14.92	7.89
Liquidated damages	4.19	0.21
Total	**1,030.61**	**1,074.79**

Note 28: Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income on:		
- Deposits with banks	0.22	0.03
- Others	0.14	0.02
Net gain on sale of current investments	-	0.08
Profit on sale of Property, Plant & Equipment (net)*	0.36	18.98
Miscellaneous Income	0.51	1.54
Net gain on foreign exchange translations	0.75	2.68
Total	**1.98**	**23.33**

* Profit on sale of Property, Plant & Equipment includes profit on sale of asset held for sale.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 29: Cost of Materials Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Opening Stock of Raw Materials	88.35	130.78
Add: Purchases during the year	459.98	494.70
	548.33	**625.48**
Less: Closing stock of Raw Materials	75.03	88.35
Total	**473.30**	**537.13**

Note 30: Changes In Inventories of Finished Goods and Work-In-Progress

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventory of finished good at the beginning of the year	14.51	25.96
Inventory of work in progress at the beginning of the year	85.00	64.72
	99.51	**90.68**
Inventory of finished good at the closing of the year	8.69	14.51
Inventory of work in progress at the closing of the year	39.86	85.00
	48.55	**99.51**
Total	**50.96**	**(8.83)**

Note 31: Employee benefits expense

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and wages	95.46	86.17
Contribution to Provident and other funds	6.25	5.71
Shared based payment to employees (Refer Note 37)	0.87	0.99
Staff welfare expenses	3.67	3.55
Total	**106.25**	**96.42**

Note 32: Finance cost

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest expense	29.53	24.31
Other financial charges	3.75	1.70
Interest on lease liabilities (Refer Note 21)	1.07	1.11
Total	**34.35**	**27.12**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 33: Other expenses

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Power & fuel	46.23	51.93
Stores & spares consumption	50.60	51.20
Repairs to machinery	5.03	7.61
Repairs to buildings	1.11	1.38
Repairs- others	1.62	0.72
Rent (Refer Note 21)	0.45	0.30
Insurance	4.54	4.94
Rates & Taxes	1.53	0.44
Royalty	3.55	4.66
Travel & Conveyance	6.53	7.40
Communication	1.18	1.10
Bad debts written off (Net)	0.73	0.67
Provision for doubtful debts and advances (Net)	2.69	2.32
Provision for warranty expenses (Net) (Refer Note 26)	(0.40)	1.07
Net loss on Current Investments designated as fair value through profit or loss	0.01	0.07
Advertisement and sales promotion	1.43	1.93
Commission	0.92	1.56
Legal and professional fees	15.70	14.80
Freight outward	16.96	29.53
Payments to auditors (Refer Note 35)	0.74	0.81
Expense on CSR activities (Refer Note 42)	2.44	2.22
IT expenses	0.96	1.84
Miscellaneous expenses	13.08	11.79
Total	**177.63**	**200.29**

Note 34: Contingent Liabilities & Commitments

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Contingent Liabilities not provided for:		
1. Claim against the Company not acknowledged as debts		
i) Demands relating to Indirect Taxes: Various show cause notices received from authorities in respect of a) Payment of service tax under reverse charge mechanism during FY 2011-12 to FY 2017-18. b) Sales tax matters for FY 2006-07 to FY 2008-09. c) E way bill matters for FY 2023-24 Company has filed appeal in respect of above matters. Against the above, the Company has paid ₹0.55 Crore. The expected outflow will be determined at the time of final outcome.	0.90	0.70

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 34: Contingent Liabilities & Commitments (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
ii) Demand on account of Income Tax matters where Income Tax Department has perferred appeals : a) Disallowance of warranty provision for AY 2007-08 and 2008-09 b) Upward adjustment in Arms Length Price for AY 2010-11, 2011-12 and 2012-13. The above were decided in favour of the Company by Commissioner Income Tax (Appeals) (CIT(A)) which was preferred by Income tax department to IncomeTax Appellete Tribunal (ITAT). ITAT had set aside the issue to the Assessing Officer/CIT(A) for fresh adjudication.	5.03	5.03
iii) Demand on account of Income Tax matters where the Company has preferred appeals. Company has preferred appeal before CIT(A) in respect of: a) Disallowance of education expenditure under Section 143 (3) for AY 2013-14 b) Disallowance of commission paid to non-resident due to non deduction of Tax deducted at source for AY 2017-18 c) Penalty proceedings under section 271I for failure to furnish information or furnishing inaccurate information under section 195 for AY 2018-19. Note: In respect of above matters, Management has assessed that no liability is likely to devolve on the Company and hence no provision has made in the books of accounts.	0.17	0.16
B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2.18	2.78

Note 35: Payment to Auditors

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditor		
(i) Statutory audit fees	0.50	0.50
(ii) Limited review fees	0.15	0.15
(iii) Tax audit fees	0.02	0.02
Other services		
(i) Certification	0.02	0.08
Reimbursement of out-of-pocket expenses	0.05	0.06
Total	**0.74**	**0.81**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

The Company operates defined contribution retirement benefit plans for all qualifying employees in the form of provident fund, superannuation fund, family pension fund and Employee State's Insurance.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under : **(₹ in Crores)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's Contribution to Provident Fund	3.41	2.91
Employer's Contribution to Superannuation Fund	0.34	0.39
Employer's Contribution to Pension Scheme	1.06	1.02
Employer's Contribution to Employee's State Insurance	0.00	0.02

Compensated absences and earned leaves

The Company's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy.

Defined Benefit Plans

The Company operates a defined benefit plan in form of gratuity plan covering eligible employees, which provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

Other long term employee benefit plan

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan liability.

In respect of the Defined Benefit Obligation Plan and Compensated absences and earned leaves, the most recent

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31,2023. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

The amounts recognized in the Standalone financial statements as at the year end are as under: (₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
A	**Assumptions :**				
	Discount Rate	7.22%	7.50%	7.22%	7.50%
	Rate of Return on Plan Assets	7.22%	7.50%	7.22%	7.50%
	Salary Escalation	7.00%	7.00%	7.00%	7.00%
	Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
	Average Past Service	5.73 years	5.23 Years	5.73 years	5.23 Years
	Average Age	36.80 years	36.14 Years	36.80 years	36.14 Years
	Rate of Employee Turnover	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.

(₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
B	**Table showing changes in Present value of defined benefit obligation:**				
	Liability at the beginning of the year	10.34	9.99	5.42	5.17
	Interest cost	0.78	0.74	0.41	0.39
	Current service cost	0.85	1.22	2.03	0.53
	Liabilities Transferred in/ Acquisition		-		
	Benefit paid	(1.16)	(1.49)	(0.63)	(0.91)
	Actuarial (gains) and loss arising from changes in demographic assumptions	-	0.10	-	0.06
	Actuarial (gains) and loss arising from changes in financial assumptions	0.80	(0.18)	0.20	(0.10)
	Actuarial (gains) and loss arising from experience adjustments	0.50	(0.04)	0.67	0.28
	Liability at the end of the year	**12.11**	**10.34**	**8.10**	**5.42**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
C	**Change in Plan Assets:**				
	Fair value of Plan Assets at the beginning of the year	9.06	7.98	4.54	3.85
	Expected Return on Plan Assets	0.68	0.58	0.34	0.28
	Contributions	1.28	2.01	0.88	1.33
	Benefit Paid	(1.16)	(1.49)	(0.63)	(0.91)
	Actuarial gain / (loss) on Plan Assets	0.04	(0.02)	0.03	(0.01)
	Fair value of Plan Assets at the end of the year	**9.90**	**9.06**	**5.16**	**4.54**
D	**Actual Return on Plan Assets:**				
	Expected Return on Plan Assets	0.68	0.58	0.34	0.28
	Actuarial gain / (loss) on Plan Assets	0.04	(0.02)	0.03	(0.01)
	Actual Return on Plan Assets	**0.72**	**0.56**	**0.37**	**0.27**
E	**Amount recognized in the Balance Sheet:**				
	Present value of Funded defined benefit obligation at the end of the year	12.11	10.34	8.10	5.42
	Fair value of Plan Assets at the end of the year	9.90	9.06	5.16	4.54
	Net (Liability)/Asset recognized in the Balance Sheet	**(2.21)**	**(1.28)**	**(2.94)**	**(0.88)**
F	**Expenses recognized in the Statement of Profit & Loss :**				
	Current Service cost	0.85	1.22	0.60	0.53
	Interest Cost	0.10	0.15	0.07	0.10
	Net Actuarial (gain) / loss to be recognized	1.26	(0.09)	0.84	0.25
	Expense / (Income) recognized in Statement of Profit & Loss	**2.21**	**1.28**	**1.51**	**0.88**
G	**Balance Sheet reconciliation:**				
	Opening Net Liability	1.28	2.01	0.88	1.32
	Expenses recognised in Statement of Profit & Loss	0.95	1.37	1.51	0.88
	Net Liability Transfer In	-	-	-	-
	Expenses recognised in OCI	1.26	(0.09)	-	-
	Employers Contribution	(1.28)	(2.01)	(0.88)	(1.32)
	Net Liability / (Assets) recognized in Balance Sheet	**2.21**	**1.28**	**1.51**	**0.88**
	Current	**2.21**	**1.28**	**1.51**	**0.88**
	Non Current	**-**	**-**	**-**	**-**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
H	**Other Details:**				
	Gratuity is payable at the rate of 15 days salary for each year of service				
	Salary escalation is considered as advised by the Company which is in line with the industry practice considering promotion and demand and supply of the employees.				
I	**Experience Adjustment**				
	Actuarial (Gains)/Losses on Obligations - Due to Experience	0.50	(0.04)	0.67	0.28
	Actuarial (Gains)/Losses on Plan Assets - Due to Experience	(0.04)	0.02	(0.03)	0.01
J	**Projected Contribution for next year**	2.97	2.60	2.12	1.48

K Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Projected Benefit obligation on current assumption	12.11	10.34
Impact of increase in discount rate by 1%	(1.13)	(0.95)
Impact of decrease in discount rate by 1%	1.33	1.11
Impact of increase in salary escalation rate by 1%	1.32	1.10
Impact of decrease in salary escalation rate by 1%	(1.14)	(0.96)
Impact of increase in rate of employee turnover by 1%	(0.01)	0.01
Impact of decrease in rate of employee turnover by 1%	0.01	(0.02)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

L Investment details of plan assets

The Plan assets are managed by Insurance group viz. Life Insurance Corporation of India which has invested the funds substantially as under :

(₹ in Crores)

Particulars	Gratuity		Compensated Absences	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Insurance Fund	9.90	9.06	5.16	4.54
Total	**9.90**	**9.06**	**5.16**	**4.54**

Notes to Standalone Financial Statements
for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

M Maturity Profile

(₹ in Crores)

Particulars	Gratuity	
	March 31, 2024	March 31, 2023
1st Following Year	0.63	0.55
2nd Following Year	0.49	0.44
3rd Following Year	0.59	0.54
4th Following Year	1.00	0.61
5th Following Year	1.29	0.90
Sum of Years 6 to 10	3.91	4.32
Sum of Years 11 and above	22.13	19.00

N Asset-liability matching strategies :

In respect of gratuity and Leave encashment plan, the Company contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

Note 37: Share based payments

Equity settled share option plan

The Company has instituted Employee Stock Option Scheme (ESOP 2021) to designated employees of the Company and its Subsidiaries. In accordance with the terms of the plan, as approved by shareholders through Postal Ballot on December 02, 2021, designated employees with the Company may be granted options to purchase equity shares.

Each employee share option converts into one equity share of the Company on exercise. Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favor of the Company or in such other manner as the Committee may decide from time to time. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time during the set exercise period. The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options. Options stands cancelled if the employee leaves the Company before the options vest.

Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

A. The following table sets forth the particulars of the options outstanding as on March 31, 2024 under ESOP 2021:

Particulars	ESOP 2021			
Date of Grant	01-Feb-22	01-Feb-22	25-May-23	25-May-23
Number of options granted	41,283	83,817	4,158	8,442
Number of options outstanding	36,828	72,360	3,267	6,633
Exercise price per option	1,392	1,392	1,427	1,427
Fair value of option on grant date	600.53	640.33	484.78	528.25
Vesting period	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant
Exercise period	upto January 31, 2026	upto January 31, 2026	upto May 24, 2027	upto May 24, 2027

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 37: Share based payments (Contd.)

B. Details of the share options outstanding during the year are as follows:

Particulars	2023-24		2022-23	
	Number of share options	Weighted average exercise price (in ₹)	Number of share options	Weighted average exercise price (in ₹)
Outstanding at beginning of year	1,17,900	1,392	1,25,100	1,392
Granted during the year	12,600	1,427	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	(11,412)	-	(7,200)	-
Outstanding at the end of the year	1,19,088	1,395	1,17,900	1,392
Exercisable at the end of the year	36,828	1,392	-	-

C. The aggregate of the estimated fair values of the options granted is ₹ 0.65 Crore. The inputs into the Black Scholes Pricing model are as follows:

Scheme - "ESOP 2021"	2023-24
Vesting 1 - Options	
Share price per option	1,498
Exercise price per option	1,427
Expected volatility	31.59%
Expected life in years	3.00
Risk-free rate	6.89%
Vesting 2 - Options	
Share price per option	1,498
Exercise price per option	1,427
Expected volatility	31.59%
Expected life in years	3.50
Risk-free rate	6.94%

Expected volatility was determined by calculating the historical volatility of the Company's share price on NSE based on the price data for last 12 months up to the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Company has recognised expenses of ₹0.87 Crore and ₹0.99 Crore related to equity-settled share-based payment transactions in 2023-24 and 2022-23 respectively on a net basis after considering recharge of ₹1.54 Crore and ₹1.83 Crore respectively from subsidiary companies for the grant of shares to the employees of subsidiary companies.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 38: Financial Ratios

Sr. No.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance	Reason for Variance : Explanation for change in ratio by 25%:
I	Current Ratio (in times)	Total current assets	Total current liabilities	1.34	1.41	-5%	
II	Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.38	0.48	-20%	
III	Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.89	2.69	-67%	This decrease is the result of the repayment of installments and the prepayments of term loans.
IV	Return on Equity Ratio (in %)	Profit for the year	Average total equity	7.00%	17.17%	-59%	The decrease is primarily due to a reduction in profit.
V	Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	6.19	5.00	24%	
VI	Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.58	6.75	-17%	
VII	Trade payables turnover ratio (in times)	Total purchase	Average trade payables	3.38	3.16	7%	
VIII	Net capital turnover ratio (in times)	Revenue from operations	Working capital	8.91	6.66	34%	Increase is the result of the reduction of current assets
IX	Net profit ratio (in %)	Profit for the year	Revenue from operations	4.95%	9.21%	-46%	The Net Profit decrease is primarily due to lower profit after tax for the year on account of reduction in revenue and operating margins.
X	Return on Capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities + Borrowings	9.98%	15.06%	-34%	This Decrease is the result of the lower profit for the year as explained above.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 39: Financial Instruments

39.1 Capital Management :

For the purposes of the Company's capital management, capital includes issued capital and all other equity. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirement.

(₹ in Crores)

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	Interest bearing loans and borrowings	265.23	331.14
(b)	Less: cash and bank balance (including other bank balance)	26.49	38.17
(c)	**Net debt (a) - (b)**	**238.74**	**292.97**
(d)	Equity share capital	8.99	8.99
(e)	Other equity	742.20	698.99
(f)	**Total equity (d) + (e)**	**751.19**	**707.98**
(g)	**Total equity and net debt (c) + (f)**	**989.93**	**1,000.95**
(h)	**Gearing ratio (c)/(g)**	**24%**	**29%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

39.2 Categories of Financial Instruments :

(₹ in Crores)

Particulars		As at March 31, 2024		As at March 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Measured at fair value through profit or loss (FVTPL)					
(a)	Investment in equity instruments	0.01	0.01	0.01	0.01
Measured at amortised cost					
(a)	Cash and bank balances	26.49	26.49	38.17	38.17
(b)	Trade Receivables	171.84	171.84	197.43	197.43
(c)	Loans	0.95	0.95	0.44	0.44
(d)	Others	123.48	123.48	113.91	113.91

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 39: Financial Instruments (Contd.)

Particulars		As at March 31, 2024		As at March 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities :					
Measured at amortised cost					
(a)	Borrowings	265.23	265.23	331.14	331.14
(b)	Lease Liabilities	21.99	21.99	5.50	5.50
(c)	Trade Payables	118.70	118.70	153.86	153.86
(d)	Others	20.22	20.22	20.15	20.15

39.3 Financial risk management objectives

The Company's corporate treasury function provides services to the business, coordinates access to domestic and international financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

39.3.1 Market Risk management

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying investment prices.

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and investment prices.

(a) Foreign currency exchange rate risk:

The Company's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency of the Company.

Since a major part of the Company's revenue and its costs are in Indian Rupees , any movement in currency rates would not have major impact on the Company's performance. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

The carrying amount of Foreign Currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	Currency	(Liabilities) / Assets as at March 31, 2024	(Liabilities) / Assets as at March 31, 2023
Trade Payables	USD	(1.84)	(2.27)
	EUR	(16.26)	(4.06)
	CHF	(0.02)	(0.06)
	GBP	(0.01)	-
	SGD	-	(0.09)
Borrowings	USD	(30.27)	(39.78)

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 39: Financial Instruments (Contd.)

Particulars	Currency	(Liabilities) / Assets as at	
		March 31, 2024	March 31, 2023
Cash & Cash Equivalents	USD	1.75	9.80
	EUR	0.00#	0.01
Trade Receivables	USD	57.98	20.38
	EUR	13.98	7.01
	CHF	6.87	6.10
	GBP	-	3.83

Balance at the end of the year ₹3,994/-

With respect to the Company's financial instruments (as given above), a 5% increase / decrease in relation to foreign currency rate on the underlying would have resulted in increase / decrease of ₹1.61 Crore and ₹0.04 Crore in the Company's profit before tax for the year ended March 31, 2024 and March 31, 2023 respectively.

(b) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval. The company have outstanding borrowings of ₹265.23 Crore and ₹331.14 Crore at the end of March 31, 2024 and March 31, 2023 respectively.

As at March 31, 2024, NIL of the Company's Borrowings are at fixed rate of interest (March 31, 2023 : NIL).

The impact of increase/decrease of 50 basis points in interest rates would result in decrease / increase of ₹1.59 Crore (₹1.29 Crore) in the Company's net profit before tax for the year ended March 31, 2024 and March 31, 2023 respectively.

(c) Other price risk

The Company is exposed to price risks arising from its investments which are held for strategic as well as trading purposes.

The sensitivity analysis have been determined based on the exposure to price risks for Investments in equity shares of other companies and mutual funds at the end of the reporting period.

If prices had been 5% higher/lower:

Profit before tax for the year ended March 31, 2024 would increase/decrease by ₹ Nil (for the year ended March 31, 2023 by ₹0.00 # Crore) as a result of the change in fair value of investments.

Amount less then ₹50,000

39.3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company does not have significant concentration of credit risk related to trade receivables except the details given below for the customers contribute to more than 5% of total outstanding accounts receivable as at any reporting period end.

At March 31, 2024, the Company has 5 customers (March 31, 2023: 4 customers) that owed the Company amounting to ₹79.51 Crore (March 31, 2023: ₹ 113.88 Crore) aggregating to 33% (March 31, 2023: 43%) of the total amount receivable.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹322.76 Crore and ₹349.95 Crore as at March 31, 2024 and March 31, 2023 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding investments in subsidiary companies, and these financial assets are of good credit quality including those that are past due.

39.3.3 Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table below include only principal cash flows in relation to non-derivative financial liabilities.

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2024			
Trade payable	118.70	-	-
Other Financial Liabilities	20.22	-	-
Borrowings	154.28	110.95	-
Lease Liabilities	8.44	18.60	-
Total	**301.65**	**129.55**	**-**
As at March 31, 2023			
Trade payable	153.86	-	-
Other Financial Liabilities	20.15	-	-
Borrowings	114.74	216.40	-
Lease Liabilities	5.46	0.35	-
Total	**294.21**	**216.75**	**-**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 39: Financial Instruments (Contd.)

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2024			
Trade receivables	171.84	-	-
Cash & cash equivalents	23.09	-	-
Bank balances other than above	3.40	-	-
Current financial assets - loans	0.95	-	-
Other financial assets	114.98	8.49	-
Total	**314.26**	**8.49**	**-**
As at March 31, 2023			
Investments	-	0.01	-
Trade receivables	197.43	-	-
Cash & cash equivalents	36.25	-	-
Bank balances other than above	1.92	-	-
Current financial assets - loans	0.44	-	-
Other financial assets	103.67	10.24	-
Total	**339.71**	**10.25**	**-**

Note 40: Fair Value Measurements

This note provides information about how the Company determines fair values of various financial assets

Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

(₹ in Crores)

Financial Assets / Financial Liabilities		Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
		March 31, 2024	March 31, 2023		
1	Investments in equity instruments (Unquoted) (Note 10)	0.01	0.01	Level 3	Net asset approach - value per equity share of investment is derived by dividing net assets of company with total number of equity shares issued by the Company

Notes :

40.1 Significant unobservable inputs for Financial Instruments classified under "Level - 3" Fair Value hierarchy are Net Assets of the investee company as on the date of Fair Valuation.

40.2 Reconciliation of Level 3 fair value measurements: **(₹ in Crores)**

Particulars	Unlisted Equity Instrument
Opening Balance as at April 01, 2022	0.01
Investment made during the year	-
Total Gain/(Loss) in statement of Profit & Loss	-
Closing Balance as at March 31, 2023	**0.01**
Opening Balance as at April 01, 2023	0.01
Investment made during the year	-
Total Gain/(Loss) in Statement of Profit & Loss	-
Closing Balance as at March 31, 2024	**0.01**

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 41: Related Party Disclosures

(I) List of Related parties

(a) Subsidiaries:

GMM International S.a.r.l		
Mavag AG		
GMM Pfaudler Foundation		
Pfaudler GMBH		
Edlon Inc.		
Pfaudler s.r.l.		
Pfaudler Limited		
Pfaudler LtdA		
Pfaudler Services Benelux B.V		
Pfaudler Normag Systems Gmbh		
Pfaudler (Chang Zou) Process Equipment Company Limited		
Pfaudler Interseal GMBH		
Glasteel Parts and Services, Inc.	Subsidiary of GMM International S.a.r.l	
Pfaudler Private Limited		
Pfaudler S.A. de C.V.		
Pfaudler France S.à r.l.		
Hydro Air Research Italia S.r.l		w.e.f August 03, 2022
Mixel France SAS		w.e.f February 02, 2023
Mixel Agitator Co. Limited		w.e.f February 02, 2023
GMM Pfaudler US Inc.		
Professional Mixing Equipment Inc		w.e.f December 01, 2023
GMM Pfaudler JDS LLC		w.e.f November 28, 2022

(b) Key management personnel:

Mr. Tarak Patel	Managing Director	
Mr. Aseem Joshi	Chief Executive Officer	
Mr. Manish Poddar	Chief Financial Officer	
Ms. Mittal Mehta	Company Secretary	
Dr. S. Sivaram	Non-Executive - Independent Director	Upto September 19, 2022
Mr. Ashok Patel	Non-Executive Director	

Note 41: Related Party Disclosures (Contd.)

Mr. Nakul Toshniwal	Non-Executive, Independent Director	
Ms. Bhawana Mishra	Non-Executive, Independent Director	
Mr. Vivek Bhatia	Non-Executive, Independent Director	
Mr. Harsh Gupta	Non-Executive Director	Upto August 18, 2023
Mr. Malte Woweries	Non-Executive Director	Upto August 18, 2023
Mr. Prakash Apte	Non-Executive, Independent Director	w.e.f May 25, 2022

(c) Relative of Key management personnel:

Mrs. Urmi Patel	Mother of Mr. Tarak Patel
Mrs. Uttara Gelhaus	Sister of Mr. Tarak Patel
Mrs. Payal Patel	Wife of Mr. Tarak Patel
Mrs. Pragna Patel	Sister of Mr. Ashok Patel
Mrs. Panna Patel	Sister of Mr. Ashok Patel

(d) Entities having significant influence over the Company:

Pfaudler Inc.	Upto December 16, 2022

(e) Enterprises over which Key Managerial Personnel have Control / Significant influence:

Skyline Millars Limited	
Ready Mix Concrete Limited	
Ashok J Patel - HUF	
A J Patel Charitable Trust	
J V Patel & Co.	
Prestige Tefparts Private Limited	
Millars Machinery Company Private Limited	
Millars Concrete Technologies Private Limited	
Solaris Chemtech Industries Limited	Upto August 18, 2023
DECBectochem Engineering Private Limited	
Uttarak Enterprises Private Limited	

Note 41: Related Party Disclosures (Contd.)

(II) Transactions with related parties (₹ in Crores)

Particulars	Subsidiaries		Key Management Personnel		Relative of Key Management Personnel		Other Related Parties	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions during the year								
Purchase of goods	24.68	14.51	-	-	-	-	0.48	0.04
Sale of goods	159.64	134.19	-	-	-	-	-	0.15
Services received	0.06	0.45	-	-	-	-	-	0.02
Services provided	0.39	0.41	-	-	-	-	-	-
Royalty	3.55	4.65	-	-	-	-	-	-
Lease rent paid	-	-	-	-	-	-	6.02	5.56
Remuneration and Commission*	-	-	12.87	14.51	-	-	-	-
Dividend paid	-	-	0.10	0.10	0.51	0.51	1.65	4.32
Directors sitting fees	-	-	0.73	0.90	-	-	-	-
Investment	-	343.77	-	-	-	-	-	-
Contribution for Corporate Social Responsibility	1.94	2.22	-	-	-	-	-	-
Issue of shares for Consideration other than cash (Refer Note 18d(2))	-	-	-	-	-	-	-	170.40
Reimbursement of Share based payment expense	1.54	1.83	-	-	-	-	-	-
Balance outstanding #								
Payables	17.16	17.07	3.85	6.29	-	-	-	0.04
Receivables	70.02	30.54	-	-	-	-	-	0.02
Advances received	2.12	16.05	-	-	-	-	-	-
ESOP receivable	3.68	2.15	-	-	-	-	-	-
Advance given	0.36	0.44	-	-	-	-	-	-
Investments	-	494.83	-	-	-	-	-	-
Deposit outstanding	-	-	-	-	-	-	2.95	2.42

Balance outstanding are exclusive of unrealised foreign exchange gain / (loss)

* Remuneration disclosed above is approved by Nomination and Remuneration Committee (NRC).

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 41: Related Party Disclosures (Contd.)

III) Material Related Party Transactions are as under: (₹ in Crores)

Nature of transactions	Name of Party	For the year ended March 31, 2024	March 31, 2023
Transactions during the year			
Purchase of goods	Pfaudler Gmbh	4.23	2.49
	Pfaudler Interseal Gmbh	4.50	2.62
	Pfaudler S.R.L.	2.66	0.06
	Pfaudler Normag Systems Gmbh	8.84	5.97
Sale of goods	Mavag AG	25.90	22.85
	Pfaudler Gmbh	15.12	14.23
	GMM Pfaudler US Inc.	71.34	67.28
	Pfaudler (Chang Zou) Process Equipment Company Limited	29.67	13.54
Services received	GMM Pfaudler US Inc.	-	0.38
	Hydro Air Research Italia S.R.L.	0.03	-
	Mixel France Sas	0.03	-
Services provided	GMM Pfaudler US Inc.	-	0.18
	Pfaudler Gmbh	-	0.15
	Pfaudler Normag Systems Gmbh	0.27	-
	Mavag AG	0.12	0.07
Lease rent paid	Ready Mix Concrete Limited	3.02	2.77
	J V Patel & Co.	2.74	2.56
Royalty	GMM Pfaudler US Inc.	3.55	4.65
Remuneration paid	Mr. Tarak Patel	8.08	9.86
	Mr. Aseem Joshi	2.36	2.13
	Mr. Manish Poddar	1.27	1.17
Dividend paid	Millars Machinery Company Private Limited	0.78	0.78
	Urmi Patel	0.47	0.37
	Uttarak Enterprises Private Limited	0.25	0.25
	Pfaudler Inc.	0.09	2.87
Investments	GMM International S.a.r.l	-	343.77
Issue of shares for Consideration other than cash (Refer Note 18d(2))	Millars Concrete Technologies Private Limited	-	170.40
Reimbursement of share based payment	GMM International S.a.r.l	0.31	0.33
	GMM Pfaudler US Inc.	0.30	0.22
	Mavag AG	0.16	0.17
	Pfaudler Interseal GmbH	0.16	0.17
	Pfaudler GmbH	0.04	0.28
Contribution for Corporate Social Responsibility.	GMM Pfaudler Foundation	1.94	2.22

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 41: Related Party Disclosures (Contd.)

III) Material Related Party Transactions are as under(contd.): (₹ in Crores)

Nature of transactions	Name of Party	For the year ended March 31, 2024	March 31, 2023
Balances at the end of the year			
Payables	GMM Pfaudler US Inc.	1.43	12.96
	Pfaudler Normag Systems Gmbh	7.04	1.13
	Pfaudler GmbH	4.05	1.41
	Pfaudler s.r.l.	2.64	0.03
Receivables	Mavag AG	8.41	7.80
	Pfaudler s.r.l.	6.19	3.35
	Pfaudler (Chang Zou) Process Equipment Company Limited	-	3.89
	Pfaudler Limited	-	3.80
	GMM Pfaudler US Inc.	46.48	8.65
ESOP receivable	GMM International S.a.r.l	0.69	0.38
	GMM Pfaudler US Inc.	0.58	0.28
	Pfaudler GmbH	0.37	0.33
Advances received	Mavag AG	0.43	5.62
	GMM Pfaudler US Inc.	1.64	0.35
	Pfaudler (Chang Zou) Process Equipment Company Limited	-	9.58
Deposit outstanding	Ready Mix Concrete Limited	1.58	1.23
	JV Patel & Co.	1.33	1.14
Investment	GMM International S.a.r.l	473.43	473.43
Advance given to supplier	Pfaudler Normag System Gmbh	0.34	0.44
Remuneration payable	Mr. Tarak Patel	2.86	5.33
	Mr. Aseem Joshi	0.65	0.67

Compensation of Key Managerial Personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows :

Particulars	For the year ended March 31, 2024	March 31, 2023
Short-term employee benefits	13.22	15.10
Post-employment benefits	0.34	0.29
Other long-term benefits	0.04	0.02
Total	**13.60**	**15.41**

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Terms and conditions of transactions with Related Parties

Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the current year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 42: Corporate Social Responsibility (CSR) Expenditure

(₹ in Crores)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Expenditure related to CSR as per section 135 of Companies Act, 2013 read with Schedule VII thereof, against the mandatory spend of ₹2.44 Crores is as follows:		
a)	Amount required to be spent by the Company during the year	2.44	2.22
b)	Amount of expenditure incurred:		
	i) Construction/acquisition of any assets	0.72	1.15
	ii) On the purpose other than (i) above	1.22	1.07
c)	Shortfall at the end of the year (a-b) (Refer Note below)	0.50	-
d)	Total of previous years shortfall if any and reason for shortfall	-	-
e)	Nature of CSR activities	Promoting rural healthcare, skill development, environment sustainability and education.	
f)	Details of related party transactions i.e. Contribution to a section 8 company controlled by the Company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (Refer Note 41)	1.94	2.22
g)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

Note:

42.1: Details of ongoing projects

(₹ in Crores)

In case of Section 135 (6) (Ongoing Project)							
Opening Balance		Income earned from Op. Unspent A/c during the year	Amount required to be spent during the year	Amount spent during the year		Closing Balance*	
With Company	In Separate CSR Unspent A/c			From Company's bank A/c	From Separate CSR Unspent A/c	With Company *	In Separate CSR Unspent A/c
-	-	-	2.44	1.94	-	0.50	-

* The Company has transferred unspent Corporate Social Responsibility (CSR) amounting to ₹0.50 Crore, to a special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act. Further there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act.

GMM Pfaudler

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 43: Earnings per Equity Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The following reflects the profit and share data used in the Basic and Diluted EPS computation:		
Net profit attributable to Equity shareholders (₹ in Crore)	51.05	98.94
Weighted average number of Equity shares in calculating basic EPS (a)	4,49,57,224	4,44,10,932
Add: Effect of Employee stock option (b)	10,719	15,857
Weighted average number of Equity Shares in calculating Diluted EPS (a+b)	4,49,67,943	4,44,26,789
Face value of Equity Share in ₹	2	2
Earnings per share (Basic) ₹	11.36	22.28
Earnings per share (Diluted) ₹	11.35	22.27

Note 44: Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in Crores)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
	Principal amount due to micro and small enterprise	14.20	0.67
	Interest due on above		
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 45: Other Statutory Information

1 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

a) Crypto currency or virtual currency

b) Undisclosed income

c) Struck off Companies

d) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

Notes to Standalone Financial Statements

for the year ended March 31, 2024

Note 45: Other Statutory Information (Contd.)

e) Relating to borrowed funds:

(i) Wilful defaulter

(ii) Utilization of borrowed funds

(iii) Discrepancy in utilization of borrowings

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understandin (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other person 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.

2 The Ministry of Corporate Affairs(MCA) has issued a notification(Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, state that every Company registered in India which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses a SaaS ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application level. The database of the software is operated by third party software service provider hence audit trail at the database level is not applicable.

Note 46: Segment Information

The Company publishes Standalone financial statements along with the Consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the audited Consolidated financial statements for year ended March 31, 2024.

Note 47: Proposed Dividend

The Board of Directors, in their meeting held on May 22, 2024 have recommended a final dividend of ₹1 per share, subject to approval by shareholders of the Company.

Note 48: Approval of financial statements

The financial statements for the year ended March 31, 2024 were approved for issue by the Board of Directors on May 22, 2024.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte Chairman DIN: 00196106 Mumbai, May 22, 2024	**Tarak Patel** Managing Director DIN: 00166183 Mumbai, May 22, 2024
Manish Poddar Chief Financial Officer FCA 098238 Mumbai, May 22, 2024	**Mittal Mehta** Company Secretary FCS 7848 Mumbai, May 22, 2024

Independent Auditor's Report

To The Members of GMM Pfaudler Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GMM Pfaudler Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition on contracts with customer** The Group generates its revenue from customer specific contracts where performance obligations are satisfied over a period of time. These contracts are accounted based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is thus dependent on estimates in relation to total estimated costs of each contract. This area is considered as key audit matter due to the size of revenue generated from customer specific contracts. Furthermore, accounting for the contracts involves both judgement, in assessing whether the criteria set out in the Ind AS 115 "Revenue from contracts with the customers" have been met, and estimates, related to future costs, the final outcome of the contract and the stage of completion. Contingencies related to cost in the estimates are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.	**Principal audit procedures performed:** As Principal auditors, we had issued written communication to the auditors of the overseas components ('Other Auditors') for audit procedures to be performed by them. The procedures performed by us at the Parent level and the Other Auditors at the Component level, as reported by them, have been provided below: • obtained an understanding of the methodology applied, the internal processes and the key controls used to determine the estimates, related to future costs, final outcome of the contract and the stage of completion. • evaluated the processes and IT systems used to record actual costs incurred, tested the manual controls and automated controls implemented in the IT systems. • focused on management's judgement in applying the methodology and the estimates made to determine the amount of revenue to be recorded in their project calculations. • obtained and reviewed contract list and calculation and tested the calculation of stage of completion including the cost incurred and recorded against the contract for occurrence and accuracy, assessing the basis for determining the costs to complete and total contract cost on sample basis and re performing the percentage of completion calculation. • challenged management in respect of the reasonableness of estimates made regarding the cost to complete contract and the timing of recognition of revenue. • assessed whether management's policies and processes for making these estimates continue to be appropriate and are applied consistently over time and to contracts of a similar nature. Additionally, audit oversight procedures carried out by us over the work performed by the Other Auditors consisted of: a) Reviewing a written summary of the audit procedures performed by the Other Auditors. b) Discussing with the Other Auditors and the management of the component/ Parent to understand the basis of identification of the performance obligations and determination of timing of revenue recognition

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board`s report, Corporate Governance report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements / financial information of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS 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 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 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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.

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 financial controls 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 Parent 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 the 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 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 the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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.

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

We did not audit the financial statements / financial information of 2 subsidiaries and consolidated financial information of a subsidiary comprising of 20 subsidiaries, whose financial statements / financial information reflect total assets of ₹2,705.59 Crore as at 31st March, 2024, total revenues of ₹2,621.60 Crore and net cash inflows amounting to ₹21.31 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements / financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / financial information of the subsidiaries referred to in the Other Matters section above 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 maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and a subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

    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 of pending litigations on the consolidated financial position of the Group - Refer Note 34 to the consolidated financial statements;

        ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 22 to the consolidated financial statements;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 46 to the consolidated 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), 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 Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 46 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries 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 performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of a subsidiary company 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), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

As stated in Note 48 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and based on the other auditor's report of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary company incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we and other auditor, whose report has been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 24116642BKDLCD2505

Place: Mumbai
Date: May 22, 2024

Annexure"A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of GMM Pfaudler Limited (hereinafter referred to as "Parent") and its subsidiary company which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of a subsidiary company, which is a company incorporated in India, 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 internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls 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 criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report 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 a subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS AND SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 24116642BKDLCD2505

Place: Mumbai
Date: May 22, 2024

Consolidated Balance Sheet

as at March 31, 2024 (₹ in Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	6	409.77	412.21
(b) Right of Use Assets	7	220.96	205.70
(c) Capital work-in-progress	8	27.36	13.33
(d) Goodwill	9	134.99	98.35
(e) Other Intangible Assets	9	467.01	507.58
(f) Financial Assets			
(i) Investments	10	0.01	0.01
(ii) Loans	11	1.20	1.53
(iii) Others	12	5.10	8.40
(g) Deferred Tax Assets (net)	23	12.46	7.22
(h) Non Current Tax Assets (net)	13	0.39	-
(i) Other non-current assets	14	26.08	36.40
Total Non Current Assets		**1,305.33**	**1,290.73**
(2) Current Assets			
(a) Inventories	15	625.36	772.89
(b) Financial Assets			
(i) Trade Receivables	16	432.83	435.53
(ii) Cash and Cash Equivalents	17	319.63	311.48
(iii) Bank balances other than (ii) above	17	23.94	60.13
(iv) Loans	11	3.52	0.74
(v) Others	12	304.70	290.73
(c) Other current assets	14	141.39	200.31
(d) Assets classified as held for sale	6	0.21	-
Total Current Assets		**1,851.58**	**2,071.81**
Total Assets		**3,156.91**	**3,362.54**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	8.99	8.99
(b) Other Equity	19	958.81	791.70
Equity attributable to equity holders of the Parent (A)		**967.80**	**800.69**
Non-Controlling interests (B)	44	**6.43**	**11.24**
Total Equity (A+B)		**974.23**	**811.93**
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	501.37	640.92
(ii) Lease liabilities	21	155.52	143.19
(b) Provisions	22	300.46	292.91
(c) Deferred tax liabilities (net)	23	69.97	82.11
(d) Other non-current liabilities	24	2.56	0.78
Total Non-current liabilities		**1,029.88**	**1,159.91**
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	210.65	156.01
(ii) Lease liabilities	21	38.49	32.52
(iii) Trade payables due to			
- Micro and Small Enterprises	25	14.20	0.67
- Other than Micro and Small Enterprises	25	388.27	536.06
(iv) Others	26	65.27	49.69
(b) Other current Liabilities	24	263.56	427.28
(c) Provisions	22	158.68	179.08
(d) Current tax liabilities (Net)	13	13.60	9.39
(e) Liabilities directly associated with assets classified as held for sale		0.08	-
Total Current liabilities		**1,152.80**	**1,390.70**
Total Equity and Liabilities		**3,156.91**	**3,362.54**

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

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Consolidated Statement of Profit & Loss

for the year ended March 31, 2024 (₹ in Crores)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
INCOME			
Revenue from operations	27	3,446.48	3,177.55
Other income	28	20.02	51.69
Total Income		**3,466.50**	**3,229.24**
EXPENSES			
Cost of materials consumed	29	1,248.37	1,318.97
Changes in inventories of finished goods and work in progress	30	130.99	(35.59)
Employee benefits expense	31	903.59	791.55
Finance cost	32	94.77	66.57
Depreciation and amortisation expense	6,7&9	146.65	121.79
Labour charges		110.21	97.96
Other expenses	33	576.52	575.34
Total expenses		**3,211.10**	**2,936.59**
Profit before exceptional items and tax		255.40	292.65
Exceptional items	47	-	(21.58)
Profit before tax		**255.40**	**271.07**
Tax expenses			
Current tax	23	94.56	82.24
Excess provision for tax relating to prior years	23	-	(0.68)
Deferred tax	23	(13.26)	(20.86)
Total Tax expenses		**81.30**	**60.70**
Profit for the year		**174.10**	**210.37**
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Actuarial (Loss) / Gain on gratuity and pension obligations		(17.88)	130.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.31	(30.27)
(B) Items that will be reclassified to profit or loss			
(i) Exchange difference in translating the financial statements of foreign components		8.35	7.57
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income (A + B)		**(5.22)**	**107.30**
Total Comprehensive Income for the year		**168.88**	**317.67**
Profit attributable to:			
Equity Holders of the Parent		178.91	163.50
Non-Controlling interests		(4.81)	46.87
Other Comprehensive Income attributable to:			
Equity Holders of the Parent		(5.22)	97.62
Non-Controlling interests		-	9.68
Total Comprehensive Income attributable to:			
Equity Holders of the Parent		173.69	261.12
Non-Controlling interests		(4.81)	56.55
Earnings per equity share :	42		
Basic (in ₹)		39.80	36.82
Diluted (in ₹)		39.79	36.80

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

As per our report of even date annexed

For and on behalf of the Board of Directors of GMM Pfaudler Limited

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Consolidated Statement of Cash Flow

for the year ended March 31, 2024 (₹ in Crores)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		255.40	271.07
Adjustments for :			
Depreciation and amortisation expense		146.65	121.79
Net gain on disposal of Property, Plant & Equipment including asset held for sale		(0.54)	(22.68)
Net loss on current investments designated as fair value through profit or loss		-	0.07
Net gain on sale of current investments		-	(0.08)
Interest income		(13.75)	(0.05)
Finance cost		94.77	66.57
Share based payment to employees (net)		2.41	2.82
Provision for doubtful debts and liquidated damages		6.32	7.43
Provision for warranty		(4.52)	13.38
Exceptional items		-	21.58
Unrealised foreign exchange fluctuation loss / (gain)		17.38	(5.66)
Operating profit before working capital changes		**504.12**	**476.24**
Adjustments for :			
Decrease / (Increase) in Inventories		150.65	(59.91)
Decrease / (Increase) in Trade receivable, loans and other financial & non financial assets		58.32	(298.53)
(Decrease) / Increase in Trade payables, provisions and other financial & non financial liabilities		(335.20)	141.46
Cash generated from operations		**377.89**	**259.26**
Direct taxes paid		(94.00)	(74.51)
Net cash generated from operating activities	**A**	**283.89**	**184.75**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment, including intangible assets		(63.78)	(68.84)
Payment towards acquisition of non controlling interests including transaction costs		-	(177.39)
Payment towards acquisition of business		(23.15)	(86.46)
Proceeds from sale of Property, Plant and Equipment including asset held for sale		1.17	45.40
Proceeds from sale of current investments		-	0.09
Redemption of deposit from / (deposit in) bank (net) (including margin money deposits)		40.22	(23.99)
Interest received		13.84	0.05
Net cash used in investing activities	**B**	**(31.70)**	**(311.14)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings		250.17	330.55
Repayment of short term borrowings		(206.15)	(276.00)
Proceeds from long term borrowings		-	235.68
Repayment of long term borrowings		(144.77)	(64.19)

Consolidated Statement of Cash Flow (Contd.)

for the year ended March 31, 2024 (₹ in Crores)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
Finance cost paid		(88.12)	(57.83)
Dividend paid		(8.87)	(8.95)
Payment of lease liabilities		(46.30)	(29.37)
Net cash (used in) / generated from financing activities	**C**	**(244.04)**	**129.89**
NET INCREASE IN CASH & CASH EQUIVALENTS	**(A+B+C)**	**8.15**	**3.50**
Cash & Cash equivalents, at the beginning of the year		311.48	290.58
Cash & bank balances included in assets held for sale at the beginning of the year		-	17.40
Cash & Cash equivalents, at the end of the year		**319.63**	**311.48**

Components of Cash and Bank Balances

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Cash and stamps on hand	0.21	0.21
Cash and Cash Equivalent		
Balances with banks		
- In current accounts	319.42	311.27
Total	**319.63**	**311.48**

Disclosure as per para 44A as set out in Ind AS 7 on cash flow statement under companies (Indian Accounting Standards) Rules, 2015 (as amended): (₹ in Crores)

Particulars of liabilities arising from financing activities	Note	Year Ended March 31, 2023	Net cash flows	Non cash changes: Other changes*	Non cash changes: Impact due to Ind AS 116	Non cash changes: Impact due to Business Combination	Year Ended March 31, 2024
Borrowings:							
Long term borrowings including current maturities of long term borrowing	20	742.38	(144.77)	15.97	-	-	613.58
Short term borrowings	20	54.55	44.02	(0.13)	-	-	98.44
Interest accrued on borrowings	26	4.31	(88.12)	87.74	-	-	3.93
Lease liabilities	21	175.71	(46.30)	9.16	51.93	3.51	194.01

* The same relates to amount charged in Statement of Profit and Loss

The Consolidated statement of Cash Flow has been prepared under the "Indirect Method" set out in IND AS 7 Statement of Cash Flow.

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

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

A. Equity Share Capital

(₹ in Crores)

Particulars	Amount
Balance at April 1, 2022	**2.92**
Changes in equity share capital during the year	6.07
Balance at March 31, 2023	**8.99**
Balance at April 1, 2023	**8.99**
Changes in equity share capital during the year	-
Balance at March 31, 2024	**8.99**

B. Other Equity

(₹ in Crores)

Particulars	Capital Reserve	Securities Premium	General Reserve	Cash Subsidy Reserve	Retained Earnings	Share options outstanding reserve	Foreign Currency Translation Reserve	Attributable to the equity holders of the parent	Non-Controlling interests	Total Equity
Balance at April 1, 2022	**(13.87)**	**14.93**	**24.04**	**0.07**	**472.81**	**0.49**	**25.72**	**524.19**	**141.28**	**665.47**
Profit for the year	-	-	-	-	163.50	-	-	163.50	46.87	210.37
Movement during the year in Foreign Currency Translation Reserve	-	-	-	-	-	-	31.07	31.07	(23.50)	7.57
Other Comprehensive Income for the year, net of income tax	-	-	-	-	66.55	-	-	66.55	33.18	99.73
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**230.05**	**-**	**31.07**	**261.12**	**56.55**	**317.67**
Less: Payment of dividends	-	-	-	-	(8.89)	-	-	(8.89)	-	(8.89)
Less : Utilization on issue of bonus shares	-	(5.85)	-	-	-	-	-	(5.85)	-	(5.85)
Add : Premium on issue of shares pursuant to acquisition	-	170.18	-	-	-	-	-	170.18	-	170.18
Less: Acquisition of balance stake in GMM International S.a.r.l from Non-Controlling interests	-	-	-	-	(151.87)	-	-	(151.87)	(195.92)	(347.79)
Add: Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.82	-	2.82	-	2.82
Add: Share of Non-Controlling interests in JDS Manufacturing Inc	-	-	-	-	-	-	-	-	13.24	13.24
Add / (Less): Other adjustments	-	-	-	-	-	-	-	-	(3.91)	(3.91)
Balance at March 31, 2023	**(13.87)**	**179.26**	**24.04**	**0.07**	**542.10**	**3.31**	**56.79**	**791.70**	**11.24**	**802.94**
Balance at April 1, 2023	**(13.87)**	**179.26**	**24.04**	**0.07**	**542.10**	**3.31**	**56.79**	**791.70**	**11.24**	**802.94**
Profit for the year	-	-	-	-	178.91	-	-	178.91	(4.81)	174.10
Movement during the year in Foreign Currency Translation Reserve	-	-	-	-	-	-	8.35	8.35	-	8.35
Other Comprehensive Income for the year, net of income tax	-	-	-	-	(13.57)	-	-	(13.57)	-	(13.57)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**165.34**	**-**	**8.35**	**173.69**	**(4.81)**	**168.88**
Less: Payment of dividends	-	-	-	-	(8.99)	-	-	(8.99)	-	(8.99)
Add: Issue of Shares under Employee Stock Option Scheme	-	-	-	-	-	2.41	-	2.41	-	2.41
Balance at March 31, 2024	**(13.87)**	**179.26**	**24.04**	**0.07**	**698.45**	**5.72**	**65.14**	**958.81**	**6.43**	**965.24**

As per our report of even date annexed

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

Mumbai
Date: May 22, 2024

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1. Corporate Information

GMM Pfaudler Limited (the Company/Parent), together with it's subsidiaries (the "Group"), is the leading technologies, systems and services provider for the chemical and pharmaceutical industries, as well as many others. The Group designs, manufactures, installs and service corrosion-resistant equipment and complete chemical process systems, customized as per the requirements of the customers. The Group has 20 global manufacturing facilities across 4 continents. The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE).

The consolidated financial statements comprise financial statements of the Parent Company, GMM Pfaudler Limited and its subsidiary companies (together referred to as "Group").

The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of Subsidiary Company	Country of Incorporation	% of Holding	
			Current Year	Previous Year
1	Mavag AG	Switzerland	100%	100%
2	GMM International S.a.r.l	Luxembourg	100%	100%
3	Pfaudler GmbH	Germany	100%	100%
4	Pfaudler Normag Systems GmbH	Germany	100%	100%
5	Pfaudler Interseal GmbH	Germany	100%	100%
6	Pfaudler France S.à r.l.	France	100%	100%
7	Mixel France SAS (w.e.f 2 February 2023)	France	100%	100%
8	Mixel Agitator Company Limited (w.e.f 2 February 2023)	China	100%	100%
9	Pfaudler s.r.l.	Italy	100%	100%
10	Hydro Air Research Italia S.r.l (w.e.f 3 August 2022)	Italy	100%	100%
11	Pfaudler Limited	UK	100%	100%
12	Pfaudler services Benelux B.V.	Netherlands	100%	100%
13	Pfaudler Private Limited	Singapore	100%	100%
14	Pfaudler Ltda.	Brazil	100%	100%
15	Pfaudler SA de CV	Mexico	100%	100%
16	Pfaudler (Chang Zhou) Process Equipment Company Limited	China	100%	100%
17	GMM Pfaudler US Inc	USA	100%	100%
18	Edlon, Inc.	USA	100%	100%
19	GMM Pfaudler JDS LLC (w.e.f 28 November 2022)	USA	51%	51%
20	Glasteel Parts and Services, Inc.	USA	100%	100%
21	Professional Mixing Equipment Inc. (w.e.f 1 December 2023)	Canada	100%	-
22	GMM Pfaudler Foundation	India	100%	100%

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Parent i.e., year ended March 31, 2024.

2. Statement of compliance

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

3. Basis of Preparation of Consolidated Financial Statements

a. Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. (refer note no. h)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

b. Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees, which is the functional currency of the Parent. All the amounts are stated in the nearest Rupee Crore.

4. Material Accounting Policies

a. Basis of Consolidation

The Group consolidates entities which it owns or controls. The Consolidated Financial Statement comprise the financial statements of the Group and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

b. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all expenses related to the acquisition and installation of Property, Plant and Equipment which comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

Machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant class of assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital Work in Progress

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit & loss.

Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

c. Depreciation and Amortisation, Useful life of Property, Plant & Equipment and Intangible Assets

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Name of Assets	Useful life
A) Burning Scaffold and Pilot Plant (included under Plant & Machinery)	3 years
B) Telephones (included under Office Equipment)	3 years
C) Vehicles	6 years
D) Solar Power Plant	10 years

Items costing less than ₹ 5000/- are fully depreciated in the year of put to use/purchase.

Leasehold improvements are amortized equally over the period of lease.

Amortisation

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Name of Assets	Useful life
A) Computer Software	3-6 years
B) Technical Knowhow	3 years
C) Backlog	1 years
D) Process Knowhow	10 years
E) Non- Compete agreement	3 years
F) Technology	20 years
G) Trademark	20 years
H) Customer Relationships	20 years
I) Other Intangibles (Order backlog and POC)	8 -17 months

d. Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its Property, Plant and equipment, intangible assets and investment carried at cost to determine whether there is an indication that those assets may be impaired. If any such indication exists, the Group estimates the asset's recoverable amount in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an individual asset or CGU is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of other assets in the CGU on a pro rata basis.

The Group reviews at each reporting date whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the recoverable amount of an asset or CGU. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such reversal is made only to the extent that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the assets may be impaired.

e. Business combination and Goodwill

Business combination

Business Combination is accounted for using the acquisition method of accounting. Transaction costs incurred in connection with business combination are expensed out in statement of profit and loss. The identifiable assets and liabilities that meet the condition for recognition is recognized at their fair values at the acquisition date. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

f. Foreign Exchange Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

Foreign Operations

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

g. Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined on the weighted average method and is net of tax credits and after providing for obsolescence and other losses. Cost includes all charges in bringing the goods to their existing location and conditions, including various tax levies (other than those subsequently recoverable from the tax authorities), transit insurance and receiving charges. Cost of work-in-progress and finished goods include cost of direct materials consumed, labour cost and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Net realizable value is the contracted selling value less the estimated costs of completion and the estimated costs necessary to make the sales.

h. Financial Instruments

Financial assets and/or financial liabilities are recognized when the Group becomes party to a contract embodying the related financial instruments. All financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

(I) Financial assets:

i. Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

ii. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortized cost
- Financial assets at fair value through other

comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

iii. De-recognition of financial assets

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

iv. Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for trade receivables. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment.

(II) Financial liabilities:

i. Initial recognition and measurement of financial liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognized initially at fair value, in case of loan and borrowings and payables, fair value is reduced by directly attributable transaction costs.

ii. Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.

Financial liabilities at amortized cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of each subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on effective interest method. Interest expenses that is not capitalized as part of cost of an asset is included in the 'finance cost' line item.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

iii. De-recognition of financial assets and liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

i. Cash & Cash Equivalents

Cash and cash equivalents consist of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

j. Revenue Recognition

Revenue towards satisfaction of performance obligation from contracts with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, acceptance of delivery by the customer, etc.

In respect of fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting based on the progress towards complete satisfaction of the performance obligation of the contract at the reporting date. The progress is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the costs incurred up to the end of reporting period and costs to complete as a percentage of total estimated costs in the contract.

Estimates of revenues, cost or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.

In respect of variable consideration, the nature of the contracts gives rise to several types of variable considerations including but not limited to claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The Group recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The Group estimates the amount of revenue to be recognized on variable consideration using the expected value or the most likely amount method, whichever is expected to better predict the amount.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and Performance penalty, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unbilled Revenues are recognised when there is excess of revenue earned over billings on contracts.

Contract assets in the nature of unbilled revenues are initially recognised for revenue earned from operations as receipt of consideration is conditional on successful completion of performance obligation. Upon fulfilment of performance obligation and acceptance by the customer, the amounts recognised as unbilled revenues are reclassified to Trade Receivables.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. Contract liabilities are classified as advance from customers and recognised as revenue when the Group performs under the project.

Other Income:

Dividend income is recognized when the right to receive the same is established.

Interest income is recognized on accrual basis.

k. Product Warranty Expenses

Provision is made in the consolidated financial statements for the estimated liability on account of costs that may be incurred on products sold under warranty. The estimates for the costs to be incurred for providing free service under warranty are determined based on historical information, past experience, average cost of warranty claims that are provided for in the year of sale.

l. Employee Benefits

Employee benefits include provident fund, superannuation fund, family pension fund, medical plan, gratuity fund, compensated absences, Partial or Early Retirement and Incentives.

Defined contribution plans

The Group's contribution to provident fund, family pension fund and superannuation fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, pension fund, Seniority plan and Medical plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit & loss. Past service cost is recognised in statement of profit & loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in statement of profit & loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, sick leave and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of long-term employee benefits in form of compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Share-based payment transactions of the Group

Certain eligible Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions) of the listed parent entity i.e., GMM Pfaudler Limited.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The Parent raises recharge invoices to subsidiaries for the shares granted to the respective subsidiaries' employees based on the fair value of the options determined on grant date and netted of against the share-based payment expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

m. Operating Expenses

Operating Expenses are charged to statement of Profit and Loss on accrual basis.

n. Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract 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. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Right of Use Assets

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 low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 amortisation and impairment losses.

Lease liabilities:

The lease liability is initially measured at amortized cost 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 in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. "

o. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is not recognized but its existence is disclosed in the financial statements. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable in the financial statements.

p. Taxation

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Any deferred tax asset or liability arising from deductible or taxable temporary differences in respect of unrealized intercompany profit or loss on inventories held by the Group in different tax jurisdictions is recognised using the tax rate of jurisdiction in which such inventories are held.

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

other comprehensive income or directly in equity respectively.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income Tax Act regulation are recognized in statement of changes in equity as part of associated dividend payment.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Group intends to settle the asset and liability on a net basis. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

q. Segment Reporting

The Group identifies segments as operating segments whose operating results are regularly reviewed by the Chief Operating Decision Maker [CODM] to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The Group has classified geography (India and Overseas) as reportable segments which is in line with Ind AS 108, Operating Segments.

All reporting segments within the Group follow a common accounting policies. Segment assets include all operating assets used by the business segments and consist principally of property plant and equipment, intangible assets, debtors and inventories. Segment liabilities include the operating liabilities that result from operating activities of the business segment. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

r. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Non-current assets held for sale

The Group classifies non-current assets (or disposal Group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

t. Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of product and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

u. Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

v. Use of Estimates

The preparation of consolidated financial statements are in conformity with the recognition and measurement principles of Ind AS which requires management to make critical judgments, estimates and assumptions that affect the reporting of assets, liabilities, income and expenditure.

Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions to the estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

1. Useful lives of property, plant and equipment (refer note no. 4c, 6, 7 & 9)
2. Provision for Warranty Expense (refer note no. 4k & 22)
3. Recognition of Revenue over a period of time (refer note no. 4j & 27)
4. Defined benefit plans (refer note no. 4l & 36)
5. Impairment of Goodwill (refer note no. 4e & 9)

5. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 6: Property, Plant & Equipment

(₹ in Crores)

	GROSS BLOCK							DEPRECIATION						NET BLOCK
CLASS OF ASSETS	As on 01.04.2023	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Assets classified as held for sale (Refer Note 3 below)	Foreign currency translation	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Assets classified as held for sale (Refer Note 3 below)	Foreign currency translation	Upto 31.03.2024	As on 31.03.2024
Freehold land	55.16	-	0.22	-	-	0.22	55.60	0.32	-	-	-	0.00	0.32	55.28
Leasehold Improvement	38.55	-	0.67	-	-	0.46	39.68	10.09	3.45	-	-	0.06	13.60	26.08
Buildings	128.27	-	8.58	-	0.38	0.68	137.15	16.50	6.10	-	0.17	0.05	22.48	114.67
Plant & Machineries	287.65	0.09	36.06	35.91	-	0.39	288.28	102.41	40.96	35.63	-	0.02	107.76	180.52
Office Equipment	28.88	0.27	7.45	0.70	-	0.36	36.26	6.66	6.67	0.69	-	0.29	12.93	23.33
Furniture & Fixtures	7.92	-	3.26	0.08	-	0.09	11.19	4.06	1.81	0.07	-	0.05	5.85	5.34
Vehicles	10.65	-	0.84	0.64	-	0.05	10.90	4.83	1.80	0.32	-	0.04	6.35	4.55
Total	**557.08**	**0.36**	**57.08**	**37.33**	**0.38**	**2.25**	**579.06**	**144.87**	**60.79**	**36.71**	**0.17**	**0.51**	**169.29**	**409.77**

	GROSS BLOCK						DEPRECIATION					NET BLOCK
CLASS OF ASSETS	As on 01.04.2022	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2023	Upto 01.04.2022	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2023	As on 31.03.2023
Freehold land	54.74	-	-	0.98	1.40	55.16	-	-	-	0.32	0.32	54.84
Leasehold Improvement	35.54	-	1.08	0.05	1.98	38.55	7.13	3.61	0.05	(0.60)	10.09	28.46
Buildings	140.77	0.65	6.95	24.75	4.65	128.27	14.42	5.73	3.87	0.22	16.50	111.77
Plant & Machineries	232.71	3.87	50.04	5.79	6.82	287.65	63.64	36.54	4.46	6.69	102.41	185.24
Office Equipment	20.83	2.92	9.05	0.43	(3.49)	28.88	5.79	5.24	0.40	(3.97)	6.66	22.22
Furniture & Fixtures	5.41	-	2.33	0.32	0.50	7.92	2.02	1.74	0.30	0.60	4.06	3.86
Vehicles	8.53	-	3.41	1.39	0.10	10.65	4.10	1.74	0.93	(0.08)	4.83	5.82
Total	**498.53**	**7.44**	**72.86**	**33.71**	**11.96**	**557.08**	**97.10**	**54.60**	**10.01**	**3.18**	**144.87**	**412.21**

Notes:

1. There are no adjustment to Property, Plant & Equipment on account of borrowing costs.
2. Refer note 20 for details of Charge/ pledge on above assets.
3. During the current year, the Group has decided to sell its branch office in India. Accordingly, the Group has reclassified these assets as "Assets held for sale" at their carrying value amounting to ₹0.21 Crores as they met the criteria laid out under Indian Accounting Standard 105. The Group has plan to close the deal within a year. The proceeds of sale are expected to exceed the carrying value of the related assets and hence, no impairment loss has been recognised on the reclassification of the said assets.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 7: Right of Use Assets

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK						DEPRECIATION					NET BLOCK
	As on 01.04.2023	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2024	Upto 01.04.2023	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2024	As on 31.03.2024
Freehold Land	0.25	-	-	-	-	0.25	0.10	0.05	-	-	0.15	0.10
Land and Buildings	240.95	3.38	48.01	6.47	0.54	286.41	53.02	31.11	0.44	2.48	86.17	200.24
Plant & Machineries	5.88	-	0.51	0.16	0.18	6.41	1.81	1.34	0.16	0.06	3.05	3.36
Office Equipment	4.92	-	2.01	0.39	0.07	6.61	1.74	1.20	0.24	0.03	2.73	3.88
Vehicles	18.86	-	10.10	5.11	0.37	24.22	8.49	6.15	3.96	0.16	10.84	13.38
Total	**270.86**	**3.38**	**60.63**	**12.13**	**1.16**	**323.90**	**65.16**	**39.85**	**4.80**	**2.73**	**102.94**	**220.96**

CLASS OF ASSETS	GROSS BLOCK						DEPRECIATION					NET BLOCK
	As on 01.04.2022	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2023	Upto 01.04.2022	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2023	As on 31.03.2023
Freehold Land	0.25	-	-	-	-	0.25	0.05	0.05	-	-	0.10	0.15
Land and Buildings	182.18	15.21	37.59	0.72	6.69	240.95	30.40	21.04	-	1.58	53.02	187.93
Plant & Machineries	5.24	-	0.49	0.06	0.21	5.88	0.73	1.07	0.06	0.07	1.81	4.07
Office Equipment	2.83	1.11	1.68	0.87	0.17	4.92	0.91	0.84	0.10	0.09	1.74	3.18
Vehicles	12.67	0.43	5.80	0.88	0.84	18.86	4.48	4.95	1.39	0.45	8.49	10.37
Total	**203.17**	**16.75**	**45.56**	**2.53**	**7.91**	**270.86**	**36.57**	**27.95**	**1.55**	**2.19**	**65.16**	**205.70**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 8: Capital work in progress

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital work in progress	27.36	13.33
Total	**27.36**	**13.33**

(a) Capital work in progress ageing schedule (₹ in Crores)

Particulars	As at March 31, 2024					As at March 31, 2023				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Projects in progress	14.96	11.08	0.35	0.97	27.36	10.03	2.54	-	0.76	13.33
Total	**14.96**	**11.08**	**0.35**	**0.97**	**27.36**	**10.03**	**2.54**	**-**	**0.76**	**13.33**

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, the project wise details of when the project is expected to be completed is given below:

(₹ in Crores)

Particulars	As at March 31, 2024					As at March 31, 2023				
	To be completed in					To be completed in				
	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
Buildings	1.52	-	-	-	1.52	0.67	-	-	-	0.67
Plant & Machineries	7.30	-	-	-	7.30	4.04	-	-	-	4.04
Office Equipment	0.22	-	-	-	0.22	-	-	-	-	-
Total	**9.04**	**-**	**-**	**-**	**9.04**	**4.71**	**-**	**-**	**-**	**4.71**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 9: Other Intangible Assets

(₹ in Crores)

CLASS OF ASSETS	GROSS BLOCK As on 01.04.2023	Additions	Deductions	Foreign currency translation	As on 31.03.2024	DEPRECIATION Upto 01.04.2023	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2024	NET BLOCK As on 31.03.2024
Computer software	15.38	0.14	3.40	0.15	12.27	12.18	1.95	3.40	0.14	10.87	1.40
Technical knowhow	0.22	-	-	-	0.22	0.16	0.02	-	-	0.18	0.04
Backlog	63.32	0.03	0.02	0.76	64.09	47.72	13.87	-	0.68	62.27	1.82
Process knowhow	12.07	-	-	-	12.07	9.96	1.21	-	-	11.17	0.90
Non- compete agreement	15.65	-	-	-	15.65	8.40	2.03	-	-	10.43	5.22
Supplier relationships	9.16	-	-	0.08	9.24	0.57	0.92	-	-	1.49	7.75
Customer relationships	187.16	-	-	2.36	189.52	17.41	9.19	-	0.27	26.87	162.65
Trade marks	334.61	-	-	3.46	338.07	33.59	16.82	-	0.43	50.84	287.23
Total	**637.57**	**0.17**	**3.42**	**6.81**	**641.13**	**129.99**	**46.01**	**3.40**	**1.52**	**174.12**	**467.01**

CLASS OF ASSETS	GROSS BLOCK As on 01.04.2022	Acquisitions through business combination (Refer Note 45)	Additions	Deductions	Foreign currency translation	As on 31.03.2023	DEPRECIATION Upto 01.04.2022	For the Year	On Deductions	Foreign currency translation	Upto 31.03.2023	NET BLOCK As on 31.03.2023
Computer software	14.57	-	0.63	0.15	0.33	15.38	10.21	1.82	0.15	0.30	12.18	3.20
Technical knowhow	0.22	-	-	-	-	0.22	0.15	0.01	-	-	0.16	0.06
Backlog	40.87	18.48	0.27	-	3.70	63.32	37.26	7.75	-	2.71	47.72	15.60
Process knowhow	12.07	-	-	-	-	12.07	8.75	1.21	-	-	9.96	2.11
Non- compete agreement	15.65	-	-	-	-	15.65	4.35	4.05	-	-	8.40	7.25
Supplier relationships	-	8.51	-	-	0.65	9.16	-	0.57	-	-	0.57	8.59
Customer relationships	119.60	58.21	-	-	9.35	187.16	7.73	8.72	-	0.96	17.41	169.75
Trade marks	288.89	28.53	-	-	17.19	334.61	16.85	15.11	-	1.63	33.59	301.02
Total	**491.87**	**113.73**	**0.90**	**0.15**	**31.22**	**637.57**	**85.30**	**39.24**	**0.15**	**5.60**	**129.99**	**507.58**

GMM Pfaudler

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 9: Other Intangible Assets (Contd.)

Depreciation and Amortisation Expense (₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Depreciation of Property, Plant and Equipment (Refer Note 6)	60.79	54.60
Amortisation of Right to Use Assets (Refer Note 7)	39.85	27.95
Amortisation of Intangible Assets (Refer Note 9)	46.01	39.24
Total Depreciation and Amortisation expense	**146.65**	**121.79**

Movement of Goodwill (₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Carrying value at the beginning of the year	98.35	66.18
Goodwill on business combinations (Refer note 45)	34.09	10.97
Translation differences	2.55	21.20
Carrying value at the end of the year	**134.99**	**98.35**

Note:

Impairment tests on goodwill are performed at the level of the CGUs. The recoverable amount of a CGU is determined by calculating the value in use using a net present value method.

The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates using the capital market parameters (WACC) to discount future cash flows to their present value as at the measurement date.The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 5% to 20%.

Applied discount rates (WACC) for Goodwill impairment testing purposes were in a range from 9.97% to 17.34%.

Impairment testing at the level of each CGU as at March 31, 2024 and as at March 31, 2023 did not reveal any indications that Goodwill was to be impaired.

Goodwill acquired through acquisitions and business combinations pertains to following Cash Generating Units (CGUs).

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
GMM Pfaudler Limited	5.93	5.93
Pfaudler Normag Systems GmbH	17.93	17.79
Pfaudler interseal GmbH	14.35	14.22
Mixel France SAS including Mixel Agitator Co. Ltd.	1.02	1.01
Pfaudler Service BeNeLux B.V.	6.77	6.71
Pfaudler S.r.l.	4.63	4.59
Hydro Air Research Italia S.r.l	10.79	10.69
Pfaudler Limited	5.63	5.43
Pfaudler S.A. de C.V.	3.56	3.22
Edlon Inc.	17.80	17.54
GMM Pfaudler US Inc.	45.59	44.91
Pfaudler Ltda.	22.27	21.62
Professional Mixing Equipment Inc.	34.03	-
Goodwill allocated to Non Controlling Interest	(55.31)	(55.31)
Total	**134.99**	**98.35**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 10: Investments

Non Current (₹ in Crores)

Particulars	Face value (₹)	Qty	Amount	Qty	Amount
		As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
Shares in Co-operative Society (unquoted) (at fair value)					
Charotar Gas Sahakari Mandli Ltd #	500	10	0.00	10	0.00
Equity Shares (unquoted) (at fair value)					
Futura Polyster Ltd *	10	100	0.00	100	0.00
Mana Effluent Treatment Plant Limited	1000	50	0.01	50	0.01
			0.01		0.01
Total unquoted investments			**0.01**		**0.01**

(* Unit 100 and Value ₹385/-)
(# Unit 10 and Value ₹5000/-)
For category wise classification of investments - as per Ind AS 109, Refer Note 38

Note 11: Loans

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
(Unsecured, Considered good)		
Loans to employees	1.20	1.53
Total	**1.20**	**1.53**
(ii) Current		
(Unsecured, Considered good)		
Loans to employees	3.52	0.74
Total	**3.52**	**0.74**

Note: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Note 12: Other Financial Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Security Deposits (including considered doubtful as at 31.03.2024 ₹0.07 Crore and as at 31.03.2023 ₹0.07 Crore)	4.87	4.73
Less : Provision for doubtful security deposits	0.07	0.07
Total	**4.80**	**4.66**
Fixed deposits with maturity more than twelve months (including margin money deposit lodged against bank guarantee as at 31.03.2024 ₹0.30 Crore and as at 31.03.2023 ₹3.74 Crore)	0.30	3.74
Total	**5.10**	**8.40**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 12: Other Financial Assets (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(ii) Current		
Accrued income	0.66	0.74
Security deposits	24.40	50.64
Unbilled Revenue (Net of advance from customers of ₹520.18 Crore as at March 31, 2024 and as at ₹375.48 Crore March 31, 2023)	278.71	239.07
Others	0.93	0.28
Total	**304.70**	**290.73**

Note 13: (Current Tax Liabilities) /Non Current Tax Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Provision for Income Tax	(22.13)	-
Advance payment of Tax	22.52	-
Total	**0.39**	**-**
(ii) Current		
Provision for Income Tax	(50.88)	(142.43)
Advance payment of Tax	37.28	133.04
Total	**(13.60)**	**(9.39)**

Note 14: Other Assets

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Capital Advances (Unsecured, Considered Good)	4.27	11.05
Balances With Indirect Tax Authorities (Net off provision of doubtful balance of ₹0.30 Crore for March 31, 2024 and ₹0.30 Crore for March 31, 2023) "	0.16	-
Prepaid expenses	21.65	25.32
Others	-	0.03
Total	**26.08**	**36.40**
(ii) Current		
Balances With Indirect Tax Authorities (Net off provision of doubtful balance of ₹0.40 Crore for March 31, 2024 and ₹0.40 Crore for March 31, 2023)	37.41	40.81
Prepaid expenses	32.23	30.66
Advance to suppliers (Unsecured, Considered Good)	55.65	101.73
Employee Advances*	4.67	4.84
Export benefit receivable	2.28	2.16
Others	9.15	20.11
Total	**141.39**	**200.31**

***Note:** There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any person.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 15: Inventories

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value)		
Raw materials (including in transit as at March 31, 2024 ₹13.58 Crore and as at March 31, 2023 ₹4.39 Crore)	308.67	322.17
Work-in-progress	195.68	312.06
Finished goods (including in transit as at March 31, 2024 ₹12.52 Crore and as at March 31, 2023 ₹20.34 Crore)	110.82	125.43
Stores and spares	10.19	13.23
Total	**625.36**	**772.89**

Note:

a Inventories are hypothecated as security for borrowings as disclosed under Note 20.

b During the year, write down of inventories was recognised amounting to ₹13.34 Crore for the year ended March 31,2024 and ₹10.87 Crore for the year ended March 31,2023

Note 16: Trade receivables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good	440.85	444.83
Trade Receivables – which have significant increase in credit risk	19.87	14.92
Trade Receivable - credit impaired	2.33	3.69
	463.05	**463.44**
Less : Allowance for doubtful debts	30.22	27.91
Total	**432.83**	**435.53**

Note:

a Trade Receivables are given as security for borrowings as disclosed under Note 20

b No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies in which any director is a partner, a director or a member.

c Trade receivable are collectable between 30-60 days considering business and commercial arrangements with the customers.

d Includes Trade Receivables from Related Parties, Refer Note 40

e The Group has entered into receivables purchase agreements with banks to unconditionally and irrevocably sell, transfer, assign and convey all the rights, titles and interest of the Group in the receivables as identified. Receivables sold as on March 31, 2024 are of ₹32.49 Crores. The Group has derecognized these receivables as it has transferred its contractual rights to the banks with substantially all the risks and rewards of ownership and retains no control over these receivables as the banks have the right to further sell and transfer these receivables.

(₹ in Crores)

Movement in the Expected Credit loss Allowance	Year Ended March 31, 2024	Year Ended March 31, 2023
Balance at beginning of the year	27.91	20.48
Add: Opening balance reclassified from assets classified as held for sale	-	0.27
Add : Provision made during the year	11.63	14.72
Less: Provision used during the year	(9.52)	(8.32)
Add/(Less): Exchange differences	0.20	0.76
Balance at the end of the year	**30.22**	**27.91**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Trade receivables ageing schedule as at March 31, 2024 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	196.32	197.61	45.54	0.70	0.03	0.65	440.85
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.99	4.71	10.42	1.74	0.19	18.05
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	0.48	0.48
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.07	1.07	0.68	1.82
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.16	-	1.69	1.85
	196.32	**198.60**	**50.25**	**11.35**	**2.84**	**3.69**	**463.05**
Less : Allowance for doubtful debts							30.22
Total Trade receivables							**432.83**

Trade receivables ageing schedule as at March 31, 2023 (₹ in Crores)

Particulars	Outstanding for following period from due date of Payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	176.99	236.10	29.55	1.50	0.25	0.44	444.83
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	4.85	3.61	3.44	0.67	0.32	12.89
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.93	0.02	0.46	1.41
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.25	0.93	0.15	0.70	2.03
(vi) Disputed Trade Receivables – credit impaired	-	0.09	0.30	0.24	0.10	1.55	2.28
	176.99	**241.04**	**33.71**	**7.04**	**1.19**	**3.47**	**463.44**
Less : Allowance for doubtful debts							27.91
Total Trade receivables							**435.53**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 17: Cash and Cash equivalents

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents		
Cash on hand	0.21	0.21
Balances with banks		
- In current accounts	319.42	311.27
Total	**319.63**	**311.48**
Other Bank Balances		
Fixed deposits with original maturity more than three months and less than twelve months (including margin money deposit lodged against bank guarantee and letter of credit as at 31.03.24 ₹23.02 Crore and as at 31.03.23 ₹59.79 Crore)	23.02	59.79
In unpaid dividend accounts - Earmarked balances (Refer Note 26(a))	0.42	0.34
In unspent Corporate Social Responsibility fund - Earmarked balances (Refer Note 26(b))	0.50	-
Total	**23.94**	**60.13**

Note 18: Equity Share Capital

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised:		
50,000,000 (March 31, 2023: 50,000,000) Equity shares of ₹2 each	10.00	10.00
Issued, Subscribed and Paid Up:		
4,49,57,224 (March 31, 2023: 4,49,57,224) Equity shares of ₹2/- each fully paid up	8.99	8.99
Total	**8.99**	**8.99**

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ in Crores	No of Shares	₹ in Crores
At the Beginning of the year	4,49,57,224	8.99	1,46,17,500	2.92
a) Issuance of Bonus Shares (Refer Note 18d(1))	-	-	2,92,35,000	5.85
b) Issuance of equity shares on preferential basis to Millars Concrete Technologies Private Limited (Refer Note 18d(2))	-	-	11,04,724	0.22
Balance at the end of the year	**4,49,57,224**	**8.99**	**4,49,57,224**	**8.99**

(b) Terms/rights attached to equity shares :

The Group has only one class of equity shares having a par value ₹2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 18: Equity Share Capital (Contd.)

(c) Details of shareholders holding more than 5% shares in the Group :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% holding	No. of Shares	% holding
Pfaudler Inc.	-	-	65,44,389	14.56%
Millars Machinery Company Private Limited	43,36,357	9.65%	38,86,785	8.65%
Urmi Ashok Patel	23,60,022	5.25%	23,60,022	5.25%

(d) Buyback of Shares, Bonus Shares and Shares issued for Consideration other than cash :

1. Pursuant to approval granted by the shareholders of the Parent on June 26, 2022 through Postal ballot for issue of Bonus Shares, the Allotment Committee of Board of Directors at their meeting held on July 14, 2022 approved allotment of 2,92,35,000 Equity Shares having face value of ₹2/- each as fully paid-up Bonus Equity Shares, in the ratio of 2:1 i.e. 2 (Two) Equity Shares having face value of ₹2/- each for every 1 (One) equity share having face value of ₹2/- each held by the shareholders of the Parent as on July 12, 2022 being the record date.

2. Pursuant to approval granted by the Board of Directors and after obtaining all the relevant approvals on September 01, 2022, The Parent has alloted 11,04,724 fully paid-up equity shares of the Parent having face value of ₹2 each, at a price of ₹1,542.43 each on a preferential basis to Millars Concrete Technologies Private Limited on September 29, 2022 for consideration other than cash for the transfer of 1,24,84,846 ordinary shares of GMM International S.a.r.l to the Parent.

3. The Parent has not bought back any shares in the past five years.

(e) Shares reserved for issue under options and contracts :

Refer Note 37 for details of shares to be issued under employee stock option Scheme (ESOP 2021))

(f) Details of Equity shares held by promoter and promoter group at the end of year :

Shares held by promoters at the end of the year		As at March 31, 2024		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	-
4	A J Patel HUF	8,31,705	1.85%	-
5	Panna Shailendra Patel	1,01,250	0.23%	-
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-
9	Millars Machinery Company Private Limited	43,36,357	9.65%	1.00%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-
11	Pfaudler Inc.#	-	0.00%	-14.56%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	-
	Total	**1,13,20,283**	**25.18%**	

Pfaudler Inc. has sold off its entire holding and have ceased to be 'Promoter and Promoter Group'.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 18: Equity Share Capital (Contd.)

Shares held by promoters at the end of the year		As at March 31, 2023		
Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Tarak Ashok Patel	5,21,880	1.16%	-0.03%
2	Ashok Jethabhai Patel	20,235	0.05%	-
3	Urmi Ashok Patel	23,60,022	5.25%	1.01%
4	A J Patel HUF	8,31,705	1.85%	-0.05%
5	Panna Shailendra Patel	1,01,250	0.23%	-0.01%
6	Pragna Satish Patel	48,480	0.11%	-
7	Palomita Shailendra Patel	3,600	0.01%	-
8	A J Patel Charitable Trust	7,59,375	1.69%	-0.04%
9	Millars Machinery Company Private Limited	38,86,785	8.65%	-0.22%
10	Uttarak Enterprises Private Limited	12,32,655	2.74%	-0.07%
11	Pfaudler Inc.	65,44,389	14.56%	-18.12%
12	Millars Concrete Technologies Private Limited	11,04,724	2.46%	2.46%
	Total	**1,74,15,100**	**38.74%**	

Note 19: Other Equity

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve:		
Balance at the beginning of the year	(13.87)	(13.87)
Movement during the year	-	-
Balance at the end of the year	**(13.87)**	**(13.87)**
Cash Subsidy Reserve:		
Balance at the beginning of the year	0.07	0.07
Movement during the year	-	-
Balance at the end of the year	**0.07**	**0.07**
Securities Premium:		
Balance at the beginning of the year	179.26	14.93
Movement during the year (Refer Note 18d)	-	164.33
Balance at the end of the year	**179.26**	**179.26**
Foreign Currency Translation Reserve :		
Balance at the beginning of the year	56.79	25.72
Movement during the year	8.35	31.07
Balance at the end of the year	**65.14**	**56.79**
General Reserve:		
Balance at the beginning of the year	24.04	24.04
Add: Movement during the year	-	-
Balance at the end of the year	**24.04**	**24.04**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 19: Other Equity (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Share options outstanding reserve:		
Balance at the beginning of the year	3.31	0.49
Add: Issue of Shares under Employee Stock Option Scheme (Refer Note 37)	2.41	2.82
Balance at the end of the year	**5.72**	**3.31**
Surplus in Statement of Profit and loss		
Balance at the beginning of the year	542.10	472.81
Add : Net Profit for the year	165.34	230.05
Less : Appropriations		
Interim Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.50	4.50
Final Dividend [Dividend Per Share ₹1 (Previous Year ₹1)]	4.49	4.39
Less: Acquisition of balance 46% stake from Non-Controlling Interest (Refer Note below)	-	151.87
Balance at the end of the year	**698.45**	**542.10**
Total	**958.81**	**791.70**

Nature and Purpose of Reserves

Capital Reserve:

The group executed merger of wholly owned subsidiary with it's step down wholly owned subsidiary. Since the transaction met the definition of "Common Control Transaction" it was accounted in accordance with Appendix C to Ind AS 103 "Business combinations". In accordance with the requirements of the Standard, difference between the amount previously recorded as investment in wholly owned subsidiary and the share capital including Security premium of step down wholly owned subsidiary has been transferred to capital reserve. It is not available for the distribution to shareholders as dividend.

Cash Subsidy Reserve:

Cash Subsidy Reserve represents subsidies received from state government. It is not available for distribution as dividend to shareholders.

Securities Premium:

Securities Premium represents Security Premium received at the time of issuance of Equity Shares. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Foreign Currency Translation Reserve:

Foreign Currency Translation Reserve arises as a result of translating the financial statement items from the functional currency into the Group's presentational currency i.e. Indian Rupee.

General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Consolidated Statement of Profit & Loss.

Share options outstanding reserve:

This reserve relates to share options granted by the Group to its employee stock option scheme. Further information about share-based payments to employees is set out in Note 37.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 19: Other Equity (Contd.)

Purchase of Non-Controlling Interest

The Shareholders of GMM Pfaudler Limited (the Parent) in an extra ordinary general meeting held on September 01, 2022, granted approval for acquisition of balance 46% of the paid-up share capital of its existing overseas subsidiary, GMM International S.à.r.l from Pfaudler International S.à.r.l (part of the promoter group) and Millars Concrete Technologies Private Limited (part of the promoter group), for an aggregate consideration of ₹343.78 Crore (excluding acquisition cost amounting to ₹4.01 Crore). The acquisition was completed on September 29, 2022 after obtaining all the relevant approvals and settling the consideration as below. Consequent to this, GMM International S.à.r.l has become a wholly owned subsidiary of the Parent.

(a) The Parent paid cash consideration of ₹149.47 Crore to Pfaudler International S.à.r.l, for the transfer of 1,09,51,360 ordinary shares of GMM International S.à.r.l to the Parent,

(b) The Parent paid cash consideration of ₹23.91 Crore to Millars Concrete Technologies Private Limited, for the transfer of 17,51,922 ordinary shares of GMM International S.à.r.l to the Parent,

(c) The Parent issued and allotted 11,04,724 equity shares of the Company having face value of ₹2 each, at a price of ₹1,542.43 per equity share on a preferential basis to Millars Concrete Technologies Private Limited for the transfer of 1,24,84,846 ordinary shares of GMM International S.à.r.l to the Parent.

The said transaction has been accounted as an equity transaction (i.e., transaction with owners in their capacity as owners) as provided in Ind AS 110 - Consolidated Financial Statements.

Note 20: Borrowings

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Long Term Borrowings		
a. Non Current		
Secured (at amortised cost)		
Term Loan from Bank	483.09	604.81
Unsecured (at amortised cost)		
Term Loan from Bank	18.28	36.11
Total	**501.37**	**640.92**
b. Current		
Secured (at amortised cost)		
Term Loan from Bank	102.93	92.47
Unsecured (at amortised cost)		
Term Loan from Bank	9.28	8.99
Total	**112.21**	**101.46**
Total Long Term Borrowings (i)	**613.58**	**742.38**
(ii) Short Term Borrowings		
Secured (at amortised cost)		
Working Capital Loans repayable on demand from Banks	83.85	29.55
Unsecured (at amortised cost)		
Working Capital Loans repayable on demand from Banks	14.59	25.00
Current Maturities of Long term borrowings	112.21	101.46
Total Short Term Borrowings (ii)	**210.65**	**156.01**
Total Borrowings (i+ii)	**712.02**	**796.93**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 20: Borrowings (Contd.)

Note:

1: The key terms and conditions of outstanding borrowings are as follows: (₹ in Crores)

Particulars	Currency	Interest rate	Repayment Terms	March 31, 2024	March 31, 2023	Note
Secured Term Loan	INR	9.25%	Quarterly installments until September 2027	36.07	37.99	i
Secured Term Loan	INR	8.68%	Monthly installments until September 2027	65.63	75.00	i
Secured Term Loan	INR	8.94%	Quarterly installments until September 2027	49.41	60.00	i
Secured Term Loan	INR	9.25%	Quarterly installments until May 2025	-	24.35	ii
Secured Term Loan	INR	9.30%	Quarterly installments until April 2025	-	39.47	iii
Secured ECB Term Loan	USD	7.89%	Quarterly installments until January 2025	30.27	39.78	i
Secured Term Loans	USD / EURO	SOFR / EURIBOR + 0.30 to 4.00 (Spread range)	August 2025 to August 2026	413.65	438.83	vi & vii
Unsecured Term Loan	CHF	1.70%	Quarterly installments until March 2026	18.55	26.96	
Total Term Loan from bank				**613.58**	**742.38**	
Secured Working Capital Loans	INR	7.15% to 8.86%	Repayable within 1 year	83.85	25.00	i & v
Unsecured Working Capital Loan	INR	7.86% to 8.67%	Repayable within 1 year	-	29.55	
Unsecured Working Capital Loan	CHF	4.45%	Repayable within 1 year	14.59	-	
Total				**712.02**	**796.93**	

i All the above mentioned secured loans have been secured and a charge has been filed with the Ministry of Corporate Affairs in favor of Axis Trustee Services Limited, on behalf of all the lenders. The details of security is as under:

(a) The term loan lenders shall have a first ranking pari passu charge over the immovable properties, moveable fixed assets and a second ranking pari passu charge over the current assets.

(b) The working capital lenders shall have a first ranking pari passu charge over the current assets and a second ranking pari passu charge over the immovable properties and moveable properties.

ii Secured by charge over immovable property and movable property located at Hyderabad.

iii Secured by charge over movable and immovable property located at Vatva (Ahmedabad) Gujarat.

iv Instalments falling due within a year in respect of all the above Loans aggregating INR 112.21 Crore (Previous Year 2023-24: INR 101.46 Crore) have been grouped under "Current Maturities of Long term borrowings".

v With regards to the working capital loans, the Group has been duly submitting with all banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, book debts and reduced by relevant trade payables. The said quarterly statements are in agreement with the unaudited books of account of the Parent & its subsidiaries of the respective quarters and there are no material discrepancies.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 20: Borrowings (Contd.)

vi Loans availed by foreign subsidiaries (Pfaudler group) carries an interest rate of SOFR / EURIBOR + applicable margin. The applicable margin depends on leverage ratio levels and may vary from 0.30% to 4.00%. The maturity date for such loans varies from August 2025 to August 2026 which is repayble in installment semi-annually / one-time payment on termination date. The said loan is secured by various pledge and charge agreements in favor of the lender. Also, certain assets, shares, account receivables, bank accounts and intellectual property rights have been granted as security.

vii GMM Pfaudler US Inc entered into an interest rate swap that secures loan of USD 31,500,000 at a Base SOFR rate of 4.30% + applicable margin spread. The said interest rate swap is accounted at 'Fair Value through Profit and Loss'.

Note 21: Lease Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current	155.52	143.19
Current	38.49	32.52
Total	**194.01**	**175.71**

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	**Movement in Lease Liabilities**		
	Opening Balance	175.71	130.87
	Add: Opening balance reclassified from assets classified as held for sale	-	1.25
	Add : On account of acquisition through business combination (Refer Note 45)	3.51	16.80
	Add: Addition made during the year	58.96	45.90
	Less: Deletion made during the year	(7.03)	(0.89)
	Add: Finance cost accrued during the year	7.23	4.43
	Less: Payment of lease liabilities	(46.30)	(29.37)
	Add/(Less): Exchange differences	1.93	6.72
	Closing Balance	**194.01**	**175.71**
(ii)	**The contractual maturities of Lease liabilities are as under on undiscounted basis:**		
	Payable within one year	45.37	37.26
	Payable later than one year and not later than five years	103.45	76.86
	Payable after five years	72.32	83.27
(iii)	**Lease payments recognised for short term leases in Statement of Profit and Loss during the year (Refer Note 33)**	**11.88**	**9.32**

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.

The Group leases mainly Land, Buildings, office premises, warehouses, vehicles and office equipment. As per Ind AS 116, contracts and related assets that fulfill the definition of a lease are recognized and shown separately as respective Right of Use assets. Such assets are valued by the present value of the discounted lease payments less accumulated amortizations over the lease period. The leases for Buildings, office premises, warehouses, vehicles and office equipment typically run for a period of 3 to 10 years, partially with an option to renew the lease after the ending date. Land leases are entered into for a longer periods.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 21: Lease Liabilities (Contd.)

The Group leases IT equipment with contract terms of one to three years. These leases are mainly short- term and/or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases. Lease payments for these leases are expensed over the lease term.

Amortisation on above leases are accounted for in Depreciation and amortisation expense in the Statement of Profit and Losss (Refer Note 7).

Interest expenses for lease liabilities are reported in the Finance cost in the Statement of Profit and Loss (Refer Note 32).

Note 22: Provisions

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Non Current		
Provision for employee benefits (Note (i))	293.52	283.62
Contract related provisions (Note (iii))	6.94	9.29
Total	**300.46**	**292.91**
(ii) Current		
Provision for employee benefits (Note (i))	103.60	113.40
Provision for unexpired warranty (Note (ii))	24.59	29.11
Contract related provisions (Note (iii))	21.99	30.30
Provision for selling expenses (Note (iv))	8.50	6.27
Total	**158.68**	**179.08**

Note:

(i) Provision for employee benefits includes amount payable to employees on account of Gratuity, Pension, Medical plan, compensated absences, Partial or Early Retirement and Incentives. Movement of such Provision for employee benefits is disclosed under Note 36.

(ii) As per the contractual terms with customers, group provides warranty to the customers. The provision is made for such returns/rejections on the basis of historical warranty trends as per the policy of the group.

Provision for unexpired warranty (₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	**29.11**	**15.73**
Add: Opening balance reclassified from assets classified as held for sale	-	0.17
Add : On account of acquisition through business combination (Refer Note 45)	1.77	0.16
Add: Additional provision made during the year	19.85	21.97
Add/(Less): Exchange differences	(0.11)	0.90
Less: Provision amount used during the year	(26.03)	(9.82)
Closing balance	**24.59**	**29.11**

Contract related provisions

(iii) Contract related provisions includes provision on foreseable losses on revenue contracts with customers.

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	**30.30**	**10.48**
Add: Opening balance reclassified from assets classified as held for sale	-	0.09
Add: Additional provision made during the year	15.08	38.47
Add/(Less): Exchange differences	0.55	0.92
Less: Provision amount used during the year	(23.94)	(19.66)
Closing balance	**21.99**	**30.30**

Note 22: Provisions (Contd.)

(iv) Provision for Selling Expenses (₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	**6.27**	**6.60**
Add: Opening balance reclassified from assets classified as held for sale	(0.01)	0.28
Add: Additional provision made during the year	13.45	11.34
Add/(Less): Exchange differences	0.09	0.38
Less: Provision amount used during the year	(11.30)	(12.33)
Closing balance	**8.50**	**6.27**

Note 23: Deferred Tax Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	69.97	82.11
Deferred tax assets	(12.46)	(7.22)
Net Deferred Tax Liabilities	**57.51**	**74.89**

Particulars	2023-24						2022-23					
	Opening Balance	On account of business combination (Refer Note 45)	Charged to / (Reversed from) Statement of P & L	Recognised in Other Comprehensive Income	Foreign Exchange Difference	Closing Balance	Opening Balance	On account of business combination	Charged to / (Reversed from) Statement of P & L	Recognised in Other Comprehensive Income	Foreign Exchange Difference	Closing Balance
Deferred tax liabilities / (assets) in relation to:												
Property, Plant and Equipment	128.97	-	(7.88)	-	1.35	122.44	95.16	30.14	(1.51)	-	5.18	128.97
Investments classified as FVTPL	0.00	-	0.00	-	-	0.00	0.03	-	(0.03)	-	-	0.00
Accounts receivables	24.30	-	(9.05)	-	0.06	15.31	3.01	9.07	10.88	-	1.34	24.30
Lease Liabilities	(0.44)	-	0.58	-	-	0.14	(0.11)	-	(0.33)	-	-	(0.44)
Provisions and accruals	(36.31)	(0.80)	12.51	-	(0.03)	(24.63)	(15.25)	(8.43)	(11.64)	-	(0.99)	(36.31)
Provision for employee benefit	(53.70)	-	0.76	(4.23)	(0.48)	(57.65)	(54.53)	(0.45)	(23.62)	30.27	(5.37)	(53.70)
Other temporary differences	12.07	(0.42)	(10.18)	-	0.43	1.90	8.51	(2.94)	5.39	-	1.11	12.07
Net Deferred Tax Liabilities	**74.89**	**(1.22)**	**(13.26)**	**(4.23)**	**1.33**	**57.51**	**36.82**	**27.39**	**(20.86)**	**30.27**	**1.27**	**74.89**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 23: Deferred Tax Liabilities (Contd.)

a) Reconciliation between average effective tax rate and applicable tax rate : (₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax from Continuing Operations	**255.40**	**271.07**
Income Tax using the Company's domestic Tax rate #	64.29	68.23
Tax Effect of :		
- Non deductible Expenses	19.97	22.57
- Tax - Exempt income	(4.20)	(9.33)
- Deduction on account of expenses allowable in tax but not claimed in book	(8.45)	(4.91)
- Tax impact on Income charged under Capital Gain	(0.31)	1.34
- Changes in recognised deductible temporary differences	3.84	5.33
- Changes in recognised deductible temporary differences due to change in tax rate	0.41	(1.43)
- Tax on account of profit on sale of Property, Plant & Equipment and other adjustments	0.09	(4.91)
- Tax impact on notional income / expense	(0.17)	(0.03)
- Difference between Indian Tax Rate and Foreign Tax Rate	3.21	2.97
Prior-year taxes recognized in current year	-	(0.68)
Miscellaneous other tax effects	2.62	(18.45)
Income Tax recognised in Statement of Profit & Loss	**81.30**	**60.70**
Effective Tax Rate	**31.83%**	**22.39%**

The Tax rate used for Financial Year 2023-24 and 2022-23, in reconciliation above is the corporate tax rate of 25.17% payable by Group on taxable profits under the Indian Tax Law

(b) Income Tax Expense (₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Current Tax:		
Current Income Tax Charge	94.56	82.24
Excess Provision for Tax relating to Prior Years	-	(0.68)
Deferred Tax		
Deferred Tax Credit for the year	(13.26)	(20.86)
Total Tax Expense recognised in statement of profit and loss	**81.30**	**60.70**

The Parent controls the dividend policy of its wholly owned subsidiary. It is able to control the timing of the reversal of the temporary difference associated with that investment (including the temporary difference arising from undistributed profits). Therefore, Parent has determined that profit will not be distributed in the foreseeable future and has not recognised a deferred tax liability on such undistributed profits. Undistributed profits of the subsidiary amounts to ₹444.50 Crore (31 March, 2023 ₹336.42 Crore).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 24: Other Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
Advances from customers	-	-
Others	2.56	0.78
Total	**2.56**	**0.78**
Current		
Advances from customers (other than advances related to unbilled revenue)	250.01	405.94
Statutory dues payable	13.55	21.34
Total	**263.56**	**427.28**

Note 25: Trade Payables

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to Micro & Small Enterprises	14.20	0.67
Dues to other than Micro and Small Enterprises:		
- Acceptances	8.68	-
- Payable to Others	379.59	536.06
Total	**402.47**	**536.73**

Trade payables ageing schedule as at March 31, 2024 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	11.33	2.64	-	-	0.23	14.20
(ii) Acceptances	8.68	-	-	-	-	8.68
(iii) Other than Micro and Small Enterprise	165.36	64.52	0.74	0.03	2.94	233.59
(iv) Disputed dues - Micro and Small Enterprise	-	-	-	-	-	-
(v) Disputed dues - Other than Micro and Small Enterprise	24.40	-	-	-	-	24.40
Total	**209.77**	**67.16**	**0.74**	**0.03**	**3.17**	**280.87**
Add: Accrued Expenses						121.60
Total						**402.47**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 25: Trade Payables (Contd.)

Trade payables ageing schedule as at March 31, 2023 (₹ in Crores)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro and Small Enterprise	0.25	0.42	-	-	-	0.67
(ii) Acceptances	-	-	-	-	-	-
(iii) Other than Micro and Small Enterprise	211.56	137.90	3.53	3.28	4.42	360.69
(iv) Disputed dues - Micro and Small Enterprise	-	-	-	-	-	-
(v) Disputed dues - Other than Micro and Small Enterprise	-	-	-	-	-	-
Total	**211.81**	**138.32**	**3.53**	**3.28**	**4.42**	**361.36**
Add: Accrued Expenses						175.37
Total						**536.73**

(a) Includes Trade Payables from Related Parties, Refer Note 40.

(b) The Group has entered into a Supply Chain Financing arrangement underwhich its suppliers can elect to receive a early payment of their invoice from the bank and the bank receives the settlement from the Group at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the Group's suppliers to receive a payment before their due date.

These balances are classified as Acceptances under Trade Payables as the terms are similar to those agreed with the suppliers. The related payments are shown as Cash Flow from operating activities as they continue to be part of the normal operating cycle of the Group.

Note 26: Other Financial Liabilities

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Unclaimed dividend (Refer Note a below)	0.42	0.30
Unspent Corporate Social Responsibility Fund (Refer Note b below)	0.50	-
Payables for capital expenditure	0.03	0.25
Employee benefits payable	37.45	36.33
Interest accrued but not due	3.93	4.31
Deferred Purchase Consideration (Refer Note c below)	15.38	-
Others	7.56	8.50
Total	**65.27**	**49.69**

Note:

(a) The amount of Unclaimed Dividend reflects the position as at March 31, 2024. During the year, the Parent has transferred an amount of ₹0.04 Crore (Previous year ₹0.04 Crore) to the Investors' Education and Protection Fund in accordance with the provisions of section 125 of the Companies Act, 2013.

(b) During the year, the Group has created the Unspent Corporate Social Responsibility (CSR) fund and transferred ₹0.50 Crore to a special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

(c) Purchase price considertion amounting to ₹15.38 Crores that refers to a deferred consideration which will be paid out in future once certain conditions are met to the esrtwhile owners of Professional Mixing Equipment Inc. ("MixPro")" which the Group acquired during the year. Group Management expects the fulfillment of these conditions are more likely than not. Refer Note 45

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 27: Revenue from Operations

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Sale of products	3,424.56	3,139.64
Other Operating revenues	21.92	37.91
Total	**3,446.48**	**3,177.55**

Disaggregate Revenues from contracts with customer:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Technology	2,057.08	1,910.16
Revenue from Systems	418.20	445.27
Revenue from Services	971.20	822.12
Total	**3,446.48**	**3,177.55**

Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Contract price	3,478.99	3,195.24
Less : Adjustment made to contract price on account of:	-	
Sales return	21.44	10.39
Liquidated damages	11.07	7.30
Total	**3,446.48**	**3,177.55**

Note 28: Other Income

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest income on:		
- Deposits with banks	0.22	0.03
- Others	1.94	0.02
Fair value gain on financial instruments at fair value through profit or loss	11.60	-
Net gain on sale of current investments	-	0.08
Donation	0.18	0.23
Profit on sale of Property, Plant & Equipment (Net)*	0.54	22.68
Miscellaneous Income	3.49	6.19
Net gain on foreign exchange translations	2.06	22.46
Total	**20.02**	**51.69**

* Profit on sale of Property, Plant & Equipment includes profit on assets held for sale.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 29: Cost of Materials Consumed

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Opening Stock of Raw Materials	322.17	258.49
Add: Purchases during the year	1,234.86	1,382.65
	1,557.04	**1,641.14**
Less: Closing stock of Raw Materials	308.67	322.17
Total	**1,248.37**	**1,318.97**

Note 30: Changes In Inventories of Finished Goods and Work-In-Progress

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Inventory of finished good at the beginning of the year	125.43	133.56
Inventory of work in progress at the beginning of the year	312.06	268.34
	437.49	**401.90**
Inventory of finished good at the closing of the year	110.82	125.43
Inventory of work in progress at the closing of the year	195.68	312.06
	306.50	**437.49**
Total	**130.99**	**(35.59)**

Note 31: Employee benefits expense

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and wages	709.06	613.20
Contribution to provident and other funds	174.28	168.78
Share based payments to employees (Refer Note 37)	2.41	2.82
Staff welfare expenses	17.84	6.75
Total	**903.59**	**791.55**

Note 32: Finance cost

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest expense	69.61	50.52
Other financial charges	10.14	6.86
Fair value loss on financial instruments at fair value through profit or loss	7.79	4.76
Interest on lease liabilities (Refer Note 21)	7.23	4.43
Total	**94.77**	**66.57**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 33: Other expenses

(₹ in Crores)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Power & Fuel	98.77	106.57
Stores & Spares Consumption	111.96	107.52
Repairs to Machinery	6.38	8.80
Repairs to Buildings	1.33	1.42
Repairs - Others	40.29	36.02
Rent (Refer Note 21)	11.88	9.32
Insurance	19.20	16.65
Rates & Taxes	8.63	7.12
Royalty	-	-
Travel & Conveyance	46.15	40.20
Communication	8.68	7.28
Bad debts written off (net)	0.73	0.67
Provision for doubtful debts and advances	4.01	3.81
Provision for Warranty expenses	(3.31)	12.31
Net Loss on Current Investments designated as Fair Value through Profit or Loss	0.01	0.07
Advertisement and sales promotion	8.81	3.78
Commission	12.08	12.06
Legal and professional fees	85.25	68.19
Freight outward	54.85	73.07
Payments to auditors	0.74	0.81
Expense on CSR activities	2.58	2.24
IT Expenses	21.13	19.53
Miscellaneous Expenses	36.37	37.90
Total	**576.52**	**575.34**

Note 34: Contingent Liabilities & Commitments

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Contingent Liabilities not provided for:		
1. Claim against the Group not acknowledged as debts		
i) Demands relating to Indirect Taxes: Various show cause notices received from authorities in respect of: a) Payment of service tax under reverse charge mechanism during FY 2011-12 to FY 2017-18. b) Sales tax matters for FY 2006-07 to FY 2008-09. c) E way bill matters for FY 2023-24 Group has filed appeal in respect of above matters. Against the above, the Group has paid ₹0.55 Crore. The expected outflow will be determined at the time of final outcome.	0.90	0.70

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 34: Contingent Liabilities & Commitments (Contd.)

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
ii) Demand on account of Income Tax matters where Income Tax Department has perferred appeals : a) Disallowance of warranty provision for AY 2007-08 and 2008-09 b) Upward adjustment in Arms Length Price for AY 2010-11, 2011-12 and 2012-13. The above were decided in favour of the Group by Commissioner Income Tax (Appeals) (CIT(A)) which was preferred by income tax department to Income 'Tax' Appellete Tribunal (ITAT). ITAT had set aside the issue to the Assessing Officer/CIT(A) for fresh adjudication.	5.03	5.03
iii) Demand on account of Income Tax matters where the Group has preferred appeals. Group has preferred appeal before CIT (Appeal) in respect of: a) Disallowance of education expenditure under Section 143 (3) for AY 2013-14 b) Disallowance of commission paid to non-resident due to non deduction of Tax deducted at source for AY 2017-18 c) Penalty proceedings under section 271I for failure to furnish information or furnishing inaccurate information under section 195 for AY 2018-19. Note: In respect of above matters, Group Management has assessed that no liability is likely to devolve on the Group and hence no provision has made in the books of accounts.	0.17	0.16
iv) Labour claims (relates to legal disputes with former employees in Italy and Brazil)	-	1.03

B) Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2.80	7.14

Note 35: Other Statutory Information

The Ministry of Corporate Affairs (MCA) has issued a notification(Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, state that every Company registered in India which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Parent uses a SaaS ERP as a primary accounting software for maintaining books of account, which has a feature of recording audit trail edit logs facility and that has been operative throughout the financial year for the transactions recorded in the software impacting books of account at application level. The database of the software is operated by third party software service provider hence audit trail at the database level is not applicable.

In respect of one subsidiary incorporated in India, accounting software used for maintaining its books of accounts has a feature of recording audit trail (edit log) facility and the same has operated throughout the year.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

The Group operates defined contribution retirement benefit plans and medical plans for all qualifying employees in the form of provident fund, superannuation fund and family pension fund.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under : **(₹ in Crores)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's Contribution to Provident Fund	3.41	2.91
Employer's Contribution to Superannuation Fund	0.34	0.39
Employer's Contribution to Pension Scheme	6.51	10.21
Employer's Contribution to Medical Plan	1.58	1.59
Employer's Contribution to Employee's State Insurance	0.00	0.02

Compensated absences and earned leaves

The Group's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy.

Defined Benefit Plans

The Group operates a defined benefit plan in form of gratuity plan and pension scheme covering eligible employees, which provide a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

These plans typically expose the group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the year on government bonds. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments."

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments."

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan liability.

In respect of the Defined Benefit Obligation Plan and Compensated absences and earned leaves, the most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at March 31, 2024. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

The amounts recognized in the Group's financial statements as at the year end are as under:

1. Pension and Medical Scheme **(₹ in Crores)**

	Particulars	As at March 31, 2024	As at March 31, 2023
A	**Assumptions :**		
	UK Pension plan		
	Discount rate	4.70%	4.65%
	Inflation Rate	2.70% to 3.35%	2.30% to 3.30%
	German Pension plan		
	Discount rate	3.28% to 3.62%	3.65% to 3.99%
	Salary Increase	2.50%	2.50%
	Inflation Rate	2.00%	2.00%
	US Medical plan		
	Discount rate	4.98%	4.63%
	Mexico Pension plan		
	Discount rate	9.44%	9.52%
	Salary Increase	5.25%	5.25%
	Inflation Rate	3.70%	3.70%
	Switzerland Pension plan		
	Discount Rate	1.45%	2.10%
	Salary Increase	1.00%	1.50%
	Inflation Rate	1.50%	1.50%

B	**Table Showing Change in the Present Value of Projected Benefit Obligation**	**As at March 31, 2024**	**As at March 31, 2023**
	Present Value of Benefit Obligation at the beginning of the year	569.65	883.01
	Addition on account of business combination (Refer Note 45)	-	1.79
	Interest Cost	20.78	18.76
	Current Service Cost	7.59	13.18
	Plan participants' contribution	3.53	2.07
	(Benefit Paid Directly by the Employer)	(1.58)	(1.59)
	(Benefit Paid From the Fund)	(31.09)	(32.91)
	The Effect Of Changes in Foreign Exchange Rates	11.77	45.99
	Settlements	-	(173.38)
	Amendments to the plan	(6.71)	-
	Total Actuarial (Gains)/Losses on Obligations	25.70	(187.27)
	Present Value of Benefit Obligation at the end of the year	**599.64**	**569.65**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

C	Table Showing Change in the Fair Value of Plan Assets	As at March 31, 2024	As at March 31, 2023
	Fair Value of Plan Assets at the beginning of the year	280.04	510.01
	Interest Income	10.55	12.08
	Contributions by the Employer	7.03	10.78
	Expected Contributions by the Employees	3.94	2.66
	(Benefit Paid from the Fund)	(18.82)	(20.90)
	(Expenses and Tax for managing the Benefit Obligations- paid from the fund)	(0.21)	(0.09)
	Settlements*	-	(173.38)
	Transfer of asset to defined contribution suspense account*	-	(28.88)
	The Effect of Changes In Foreign Exchange Rates	9.50	25.12
	Return on Plan Assets, Excluding Interest Income	9.08	(57.36)
	Fair Value of Plan Assets at the end of the year	**301.11**	**280.04**

*During the year ended March 31, 2023, one of the subsidiary Company, amended and terminated its US defined benefit pension plan. Prior to the plan termination, the subsidiary Company made certain amendments, including allowing participants and their beneficiaries to elect to receive a lump sum distribution to the extent they were not already entitled to such election under the Plan. Lump sum distributions amounting to ₹73.78 Crores were paid to participants and their beneficiaries. Additionally, the subsidiary Company entered into a buyout agreement and paid a total of ₹99.60 Crores to a third-party insurance company in settlement of obligations. Accordingly, the subsidiary company has reversed the outstanding provision for post-employment pension benefits in the current year and recognized a pretax net gain of ₹11.48 Crores gain for the year ended March 31, 2023 in the other comprehensive income. On satisfaction of all plan benefits and liabilities and transfer of the obligation, excess plan assets amounting to ₹28.88 Crores are transferred to a qualified replacement plan suspense account owned by the subsidiary Company, which will be used for contribution to participant accounts under the subsidiary Company's pre-existing 401(k) contribution plan over future 7 years as per the local regulatory requirement of respective jurisdiction.

D	Amount Recognized in the Balance Sheet	As at March 31, 2024	As at March 31, 2023
	Present Value of Benefit Obligation at the end of the year	(599.63)	(569.65)
	Fair Value of Plan Assets at the end of the year	301.11	280.04
	Funded Status (Surplus/ (Deficit))	(298.52)	(289.61)
	Net (Liability)/Asset Recognized in the Balance Sheet	**(298.52)**	**(289.61)**
	Net Liability reduced due to risk sharing	**(4.03)**	**(3.18)**

E	Expenses Recognized in the Statement of Profit or Loss for Current year	As at March 31, 2024	As at March 31, 2023
	Current Service Cost	7.59	13.18
	Net Interest Cost	10.23	6.69
	Expenses Recognized	**17.82**	**19.87**

F	Expenses Recognized in the Other Comprehensive Income (OCI) for Current year	As at March 31, 2024	As at March 31, 2023
	Actuarial (Gains)/Losses on Obligation for the year	25.70	(187.27)
	Return on plan Assets, excluding Interest Income	(9.08)	57.36
	Net (Income)/Expense for the year recognized in OCI	**16.62**	**(129.91)**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

G	Category of Assets	As at March 31, 2024	As at March 31, 2023
	Bonds	109.84	49.43
	Cash and Cash Equivalents	5.31	8.62
	Equity Securities	68.83	137.47
	Diversified Growth Fund	75.75	44.32
	Real Estate	25.09	21.88
	Alternative Investment	4.24	2.68
	Qualified Insurance Policy	7.25	12.53
	Others	4.80	3.11
	Total	**301.11**	**280.04**

		As at March 31, 2024	As at March 31, 2023
H	**Projected Contribution for next year**	**28.77**	**27.85**

I Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate,expected salary increase,pension escalations and life expectancy. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year, while holding all other assumptions constant.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Delta Effect of +1% Change in Rate of Discounting	(65.48)	(62.04)
Delta Effect of -1% Change in Rate of Discounting	78.72	74.60
Delta Effect of +1% Change in Rate of Salary Increase	6.14	8.81
Delta Effect of -1% Change in Rate of Salary Increase	(5.59)	(8.09)
Delta Effect of +1% Change in Rate of Pension Escalation	41.56	38.20
Delta Effect of -1% Change in Rate of Pension Escalation	(37.35)	(34.80)
Delta Effect of +1 Year Change in Life Expectancy	20.52	19.00
Delta Effect of -1 Year Change in Life Expectancy	(21.01)	(19.52)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Note 36: Employee Benefits (Contd.)

2. Below is the movement of other provision for employee benefits payable such as Partial or Early Retirement, Vacation and Holiday , Anniversary payments and Incentives.

(₹ in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	105.25	81.95
Add: Opening balance reclassified from assets classified as held for sale	-	3.23
Add : On account of acquisition through business combination (Refer 45)	1.80	5.18
Add: Additional provision made during the year	186.77	192.54
Add/(Less): Exchange differences	1.15	6.00
Less: Provision amount used during the year	(201.53)	(183.65)
Closing balance	**93.44**	**105.25**

(₹ in Crores)

3.	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
a.	**Assumptions :**				
	Discount Rate	7.22%	7.50%	7.22%	7.50%
	Rate of Return on Plan Assets	7.22%	7.50%	7.22%	7.50%
	Salary Escalation	7.00%	7.00%	7.00%	7.00%
	Mortality	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14
	Average Past Service	5.73 years	5.23 Years	5.73 years	5.23 Years
	Average Age	36.80 years	36.14 Years	36.80 years	36.14 Years
	Rate of Employee Turnover	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.	For Service 4 years and below 7% p.a. For Service 5 years and above 4% p.a.

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
b.	**Table showing changes in Present value of defined benefit obligation:**				
	Liability at the beginning of the year	10.34	9.99	5.42	5.17
	Interest cost	0.78	0.74	0.41	0.39
	Current service cost	0.85	1.22	2.03	0.53
	Liabilities Transferred in/ Acquisition	-	-	-	-
	Benefit paid	(1.16)	(1.49)	(0.63)	(0.91)
	Actuarial (gains) and loss arising from changes in demographic assumptions	-	0.10	-	0.06
	Actuarial (gains) and loss arising from changes in financial assumptions	0.80	(0.18)	0.20	(0.10)
	Actuarial (gains) and loss arising from experience adjustments	0.50	(0.04)	0.67	0.28
	Liability at the end of the year	**12.11**	**10.34**	**8.10**	**5.42**

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
c.	**Change in Plan Assets:**				
	Fair value of Plan Assets at the beginning of the year	9.06	7.98	4.54	3.85
	Expected Return on Plan Assets	0.68	0.58	0.34	0.28
	Assets Transferred in/ Acquisition	-	-	-	-
	Contributions	1.28	2.01	0.88	1.33
	Benefit Paid	(1.16)	(1.49)	(0.63)	(0.91)
	Actuarial gain / (loss) on Plan Assets	0.04	(0.02)	0.03	(0.01)
	Fair value of Plan Assets at the end of the year	**9.90**	**9.06**	**5.16**	**4.54**
d.	**Actual Return on Plan Assets:**				
	Expected Return on Plan Assets	0.68	0.58	0.34	0.28
	Actuarial loss on Plan Assets	0.04	(0.02)	0.03	(0.01)
	Actual Return on Plan Assets	**0.72**	**0.56**	**0.37**	**0.27**
e.	**Amount Recognized in the Balance Sheet:**				
	Present value of Funded defined benefit obligation at the end of the year	12.11	10.34	8.10	5.42
	Fair value of Plan Assets at the end of the year	9.90	9.06	5.16	4.54
	Net (Liability)/Asset Recognized in the Balance Sheet	**(2.21)**	**(1.28)**	**(2.94)**	**(0.88)**
f.	**Expenses Recognized in the Statement of Profit & Loss :**				
	Current Service cost	0.85	1.22	0.60	0.53
	Interest Cost	0.10	0.15	0.07	0.10
	Net Actuarial (gain) / loss to be recognized	1.26	(0.09)	0.84	0.25
	Expense / (Income) Recognized in Statement of Profit & Loss	**2.21**	**1.28**	**1.51**	**0.88**
g.	**Balance Sheet Reconciliation:**				
	Opening Net Liability	1.28	2.01	0.88	1.32
	Expenses recognised in Statement of Profit & Loss	0.95	1.37	1.51	0.88
	Expenses/ (Income) recognised in OCI	1.26	(0.09)	-	-
	Employers Contribution	(1.28)	(2.01)	(0.88)	(1.32)
	Net Liability / (Assets) Recognized in Balance Sheet	**2.21**	**1.28**	**1.51**	**0.88**
	Current	2.21	1.28	1.51	0.88
	Non Current	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

(₹ in Crores)

	Particulars	Gratuity (Funded)		Compensated Absences (Funded)	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
		Ultimate Table	Ultimate Table	Ultimate Table	Ultimate Table
h.	**Other Details:**				
	Gratuity is payable at the rate of 15 days salary for each year of service.				
	Salary escalation is considered as advised by the Company which is in line with the industry practice considering promotion and demand and supply of the employees.				
i.	**Experience Adjustment**				
	Actuarial (Gains)/Losses on Obligations - Due to Experience	0.50	(0.04)	0.67	0.28
	Actuarial (Gains)/Losses on Plan Assets - Due to Experience	(0.04)	0.02	(0.03)	0.01
j.	**Projected Contribution for next year**	**2.97**	**2.60**	**2.12**	**1.48**

k. Sensitivity analysis for each significant actuarial assumption

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year, while holding all other assumptions constant.

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Projected Benefit obligation on current assumption	12.11	10.34
Impact of increase in discount rate by 1%	(1.13)	(0.95)
Impact of decrease in discount rate by 1%	1.33	1.11
Impact of increase in salary escalation rate by 1%	1.32	1.10
Impact of decrease in salary escalation rate by 1%	(1.14)	(0.96)
Impact of increase in rate of employee turnover by 1%	(0.01)	0.01
Impact of decrease in rate of employee turnover by 1%	0.01	(0.02)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

l. Investment details of plan assets

The Plan assets are managed by Insurance group viz. Life Insurance Corporation of India which has invested the funds substantially as under : (₹ in Crores)

Particulars	Gratuity		Leave Encashment	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Insurance Fund	9.90	9.06	5.16	4.54
Total	**9.90**	**9.06**	**5.16**	**4.54**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 36: Employee Benefits (Contd.)

m. Maturity Profile (₹ in Crores)

Particulars	Gratuity		Pension	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1st Following Year	0.63	0.55	32.93	32.53
2nd Following Year	0.49	0.44	33.34	30.49
3rd Following Year	0.59	0.54	40.11	35.05
4th Following Year	1.00	0.61	34.70	36.07
5th Following Year	1.29	0.90	34.09	33.98
Sum of Years 6 to 10	3.91	4.32	168.51	171.88
Sum of Years 11 and above	22.13	19.00	-	-

n. Asset-liability matching strategies :

In respect of Gratuity and Leave encashment plan, the Parent contributes to the insurance fund based on estimated liability of the next financial year end. The projected liability statement is obtained from the actuarial valuer.

Note 37: Share based payments

Equity settled share option plan

The Group has instituted Employee Stock Option Scheme (ESOP 2021) to designated employees of the Parent and its Subsidiaries. In accordance with the terms of the plan, as approved by shareholders through Postal Ballot on 2nd December 2021, designated employees with the Group may be granted options to purchase equity shares.

Each employee share option converts into one equity share of the Parent Company on exercise. Payment of the Exercise Price shall be made by a crossed cheque, or a demand draft drawn in favor of the Parent Company or in such other manner as the Committee may decide from time to time. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time during the set exercise period. The Options not exercised within the Exercise Period shall lapse and the Employee shall have no right over such lapsed or cancelled Options. Options stands cancelled if the employee leaves the Group before the options vest.

Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

A. The following table sets forth the particulars of the options outstanding as on March 31, 2024 under ESOP 2021::

Scheme	ESOP 2021			
Date of Grant	01-Feb-22	01-Feb-22	25-May-23	25-May-23
Number of options granted	41,283	83,817	4,158	8,442
Number of options outstanding	36,828	72,360	3,267	6,633
Exercise price per option	1,392	1,392	1,427	1,427
Fair value of option on grant date	600.53	640.33	484.78	528.25
Vesting period	2 years from the date of grant	3 years from the date of grant	2 years from the date of grant	3 years from the date of grant
Exercise period	upto 31st January, 2026"	upto 31st January, 2026"	upto 24th May, 2027"	upto 24th May, 2027

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 37: Share based payments (Contd.)

B. Details of the share options outstanding during the year are as follows:

Particulars	2023-24		2022-23	
	Number of share options	Weighted average exercise price (in ₹)	Number of share options	Weighted average exercise price (in ₹)
Outstanding at beginning of year	1,17,900	1,392	1,25,100	1,392
Granted during the year	12,600	1,427	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	(11,412)	-	(7,200)	-
Outstanding at the end of the year	1,19,088	1,395	1,17,900	1,392
Exercisable at the end of the year	36,828	1,392	-	-

C. The aggregate of the estimated fair values of the options granted is ₹ 0.65 Crore. The inputs into the Black Scholes Pricing model are as follows:

Scheme - "ESOP 2021"	2023-24
Vesting 1 - Options	
Share price per option	1,498
Exercise price per option	1,427
Expected volatility	31.59%
Expected life in years	3.00
Risk-free rate	6.89%
Vesting 2 - Options	
Share price per option	1,498
Exercise price per option	1,427
Expected volatility	31.59%
Expected life in years	3.50
Risk-free rate	6.94%

Expected volatility was determined by calculating the historical volatility of the Group's share price on NSE based on the price data for last 12 months up to the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The Group recognised total expenses of ₹2.41 Crore and ₹2.82 Crore related to equity-settled share-based payment transactions in F.Y. 2023-24 and 2022-23 respectively..

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

Note 38: Financial Instruments

38.1 Capital Management :

For the purposes of the Group's capital management, capital includes issued capital and all other equity. The primary objective of the Group's capital management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirement.

(₹ in Crores)

	Particulars	As at March 31, 2024	As at March 31, 2023
(a)	Interest bearing loans and borrowings	712.02	796.93
(b)	Less: cash and bank balance (including other bank balance)	343.57	371.61
(c)	**Net debt (a) - (b)**	**368.45**	**425.32**
(d)	Equity share capital	8.99	8.99
(e)	Other equity	958.81	791.70
(f)	**Total equity (d) + (e)**	**967.80**	**800.69**
(g)	**Total equity and net debt (c) + (f)**	**1336.25**	**1226.01**
(h)	**Gearing ratio (c)/(g)**	**27.57%**	**34.69%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

38.2 Categories of Financial Instruments :

(₹ in Crores)

Particulars		As at March 31, 2024		As at March 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets					
Measured at fair value through profit or loss (FVTPL)					
(a)	Investment in equity instruments	0.01	0.01	0.01	0.01
Measured at amortised cost					
(a)	Cash and bank balances	343.57	343.57	371.61	371.61
(b)	Trade Receivables	432.83	432.83	435.53	435.53
(c)	Loans	4.72	4.72	2.27	2.27
(d)	Others	309.80	309.80	299.13	299.13

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 38: Financial Instruments (Contd.)

Particulars		As at March 31, 2024		As at March 31, 2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities :					
Measured at amortised cost					
(a)	Borrowings	712.02	712.02	796.93	796.93
(b)	Lease Liabilities	194.01	194.01	175.71	175.71
(c)	Trade Payables	402.47	402.47	536.73	536.73
(d)	Others	65.27	65.27	49.69	49.69

38.3 Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial market, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

38.3.1 Market Risk management

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates and underlying investment prices.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and investment prices.

(a) Foreign currency exchange rate risk:

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries and foreign currency transactions. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency of the Group.

The Group operates locally in India and internationally and a portion of the business is transacted in several currencies and consequently, the Group at consolidated level is exposed to foreign exchange risk through its business transactions in the India and Overseas.

Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance."

The foreign currency risk from financial assets and liabilities as at March 31, 2024 is as follows :

(₹ in Crores)

Particulars	Cash and cash equivalents	Trade receivables	Other financial assets	Trade payables	Borrowings	Other financial liabilities
EUR	111.81	164.09	62.49	(124.08)	(63.47)	(111.32)
GBP	20.46	17.70	4.99	(9.18)	-	(5.36)
CNY	31.02	14.93	48.47	(14.79)	-	(23.89)
MXN	2.96	1.70	0.18	(0.71)	-	(0.74)
BRL	16.97	20.83	0.10	(6.74)	-	(0.20)
SGD	0.01	0.64	-	(0.01)	-	-
USD	92.56	155.81	44.47	(43.65)	(380.45)	(24.02)
CAD	28.78	7.93	-	(5.30)	-	(3.19)
CHF	3.66	32.13	44.96	(20.94)	-	(9.88)

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 38: Financial Instruments (Contd.)

(₹ in Crores)

The foreign currency risk from financial assets and liabilities as at March 31, 2023 is as follows :

Particulars	Cash and cash equivalents	Trade receivables	Other financial assets	Trade payables	Borrowings	Other financial liabilities
EUR	100.56	125.74	84.52	(133.40)	(74.12)	(113.13)
GBP	18.30	25.30	3.31	(7.07)	-	(6.44)
CNY	58.31	8.89	92.97	(21.53)	-	(27.99)
MXN	3.66	2.09	0.17	(0.61)	-	(0.67)
BRL	18.41	8.76	0.14	(4.98)	-	(0.29)
SGD	0.01	0.58	-	-	-	-
USD	99.37	107.63	22.27	(54.72)	(404.50)	(28.03)
CHF	7.32	27.34	21.31	(38.93)	-	(10.16)

With respect to the Group's financial instruments (as given above), a 5% increase / decrease in relation to foreign currency rate on the underlying would have resulted in increase / decrease of ₹4.09 crore (Previous year 2022-23: ₹4.48 crore) in the Group's net profit before tax for the year ended March 31, 2024 and March 31, 2023 respectively.

(b) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group have outstanding borrowings of ₹712.02 Crore and ₹796.93 Crore at the end of March 31, 2024 and March 31, 2023 respectively. The impact of decrease / increase of 50 basis points in interest rates would result in decrease / increase of ₹3.56 Crore (Previous year 2022-23: ₹3.98 Crore) in the Group's net profit before tax for the year ended March 31, 2024 and March 31, 2023 respectively.

(c) Other price risk

The Group is exposed to price risks arising from its investments which are held for strategic as well as trading purposes.

The sensitivity analysis have been determined based on the exposure to price risks for Investments in equity shares of other companies and mutual funds at the end of the year.

If prices had been 5% higher/lower: Profit before tax for the year ended March 31, 2024 would increase/decrease by ₹0.00# (for the year ended March 31, 2023 ₹0.00#) as a result of the change in fair value of investments.

Amount less than ₹50,000

38.3.2 Credit risk management

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables.

All trade receivables are subject to credit risk exposure. The group's exposure to credit risk is influenced mainly by

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 38: Financial Instruments (Contd.)

the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The group does not have significant concentration of credit risk related to trade receivables and there are no customers which contribute to more than 5% of total outstanding accounts receivable as at any year end."

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹1,090.93 Crore and ₹1,108.55 Crore as at March 31, 2024 and March 31, 2023 respectively, being the total of the carrying amount of balances with banks, bank deposits, trade receivables, other financial assets and investments excluding investments in subsidiary companies, and these financial assets are of good credit quality including those that are past due."

38.3.3 Liquidity risk management:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table below include only principal cash flows in relation to non-derivative financial liabilities.

(₹ in Crores)

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2024			
Trade payable	402.47	-	-
Other Financial Liabilities	65.27	-	-
Borrowing	210.65	501.37	-
Lease Liabilities	45.37	103.45	72.32
Total	**723.76**	**604.82**	**72.32**
As at 31st March, 2023			
Trade payable	536.73	-	-
Other Financial Liabilities	49.69	-	-
Borrowing	156.01	640.92	-
Lease Liabilities	37.26	76.86	83.27
Total	**779.69**	**717.78**	**83.27**

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 38: Financial Instruments (Contd.)

non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Up to 1 year	1 to 5 years	5 years and above
As at March 31, 2024			
Investments	-	0.01	-
Trade receivables	432.83	-	-
Cash & Cash equivalents	319.63	-	-
Bank balances other than above	23.94	-	-
Loans	3.52	1.20	-
Other Financial Assets	304.70	5.10	-
Total	**1,084.62**	**6.31**	**-**
As at 31st March, 2023			
Investments	-	0.01	-
Trade receivables	435.53	-	-
Cash & Cash equivalents	311.48	-	-
Bank balances other than above	60.13	-	-
Loans	0.74	1.53	-
Financial Assets	290.73	8.40	-
Total	**1,098.61**	**9.94**	**-**

Note 39: Fair Value Measurements

This note provides information about how the group determines fair values of various financial assets

Fair Value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis:

Financial Assets / Financial Liabilities **(₹ in Crores)**

Particulars	Fair Value as at		Fair Value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2024	March 31, 2023		
Investments in equity instruments (Unquoted) (Note 10)	0.01	0.01	Level 3	Net asset approach - value per equity share of investment is derived by dividing net assets of group with total no. of equity shares issued by the group

Note 1: Significant unobservable inputs for Financial Instruments classified under "Level - 3" Fair Value hierarchy are Net Assets of the investee group as on the date of Fair Valuation.

Note 2: Reconciliation of Level 3 fair value measurements: **(₹ in Crores)**

Particulars	Unlisted Equity Instrument
Opening Balance as at 1st April, 2022	**0.01**
Investment made during the year	-
Total Gain/(Loss) in statement of P&L	-
Closing Balance as at 31st March, 2023	**0.01**
Opening Balance as at 1st April, 2023	**0.01**
Investment made during the year	-
Total Gain/(Loss) in statement of P&L	-
Closing Balance as at 31st March, 2024	**0.01**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 40: Related Party Disclosures

(I) List of Related parties

(a) Key management personnel:

Mr. Tarak Patel	Managing Director	
Mr. Aseem Joshi	Chief Executive Officer	
Mr. Manish Poddar	Chief Financial Officer	
Ms. Mittal Mehta	Company Secretary	
Dr. S. Sivaram	Non-Executive - Independent Director	Upto September 19, 2022
Mr. Ashok Patel	Non-Executive Director	
Mr. Nakul Toshniwal	Non-Executive, Independent Director	
Ms. Bhawana Mishra	Non-Executive, Independent Director	
Mr. Vivek Bhatia	Non-Executive, Independent Director	
Mr. Harsh Gupta	Non-Executive Director	Upto August 18, 2023
Mr. Malte Woweries	Non-Executive Director	Upto August 18, 2023
Mr. Prakash Apte	Non-Executive, Independent Director	w.e.f May 25, 2022

(b) Relative of Key management personnel:

Mrs. Urmi Patel	Mother of Mr. Tarak Patel
Ms. Uttara Gelhaus	Sister of Mr. Tarak Patel
Mrs. Payal Patel	Wife of Mr. Tarak Patel
Mrs. Pragna Patel	Sister of Mr. Ashok Patel
Mrs. Panna Patel	Sister of Mr. Ashok Patel

(c) Entities having significant influence over the Company:

Pfaudler Inc.	Upto December 16, 2022

(d) Enterprises over which Key Managerial Personnel have Control / Significant influence:

Skyline Millars Ltd.	
Ready Mix Concrete Limited	
Ashok J Patel - HUF	
A J Patel Charitable Trust	
J V Patel & Co.	
Prestige Tefparts Private Limited	
Millars Machinery Company Private Limited	
Millars Concrete Technologies Private Limited	
Solaris Chemtech Industries Ltd	Upto August 18, 2023
DECBectochem Engineering Pvt. Ltd	
Uttarak Enterprises Private Limited	

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 40: Related Party Disclosures (Contd.)

(II) Transactions with related parties (₹ in Crores)

Particulars	Key Management Personnel		Relative of Key Management Personnel		Other Related Parties	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions during the year						
Purchase of goods	-	-	-	-	0.48	0.04
Sale of goods	-	-	-	-	-	0.15
Services received	-	-	-	-	-	0.02
Lease Rent paid	-	-	-	-	6.02	5.56
Remuneration* and Commission	14.87	16.30	-	-	-	-
Dividend paid	0.10	0.10	0.51	0.51	1.65	4.32
Issue of shares for Consideration other than cash (Refer Note 18d(2))	-	-	-	-	-	170.40
Donations received	-	-	-	-	0.18	0.02
Directors Sitting Fees	0.73	0.90	-	-	-	-
Balance outstanding #						
Payables	3.85	6.29	-	-	-	0.04
Receivables	-	-	-	-	-	0.02
Deposit outstanding	-	-	-	-	2.95	2.42

Balance outstanding are exclusive of unrealised foreign exchange gain / (loss)

* Remuneration disclosed above is approved by Nomination and Remuneration Committee (NRC).

(III) Material Related Party Transactions are as under: (₹ in Crores)

Nature of transactions	Name of Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Transactions during the year			
Lease rent paid	Ready Mix Concrete Limited	3.02	2.77
	J V Patel & Co.	2.74	2.56
Remuneration paid	Mr. Tarak Patel	8.38	10.13
	Mr. Ashok Patel	1.69	1.51
	Mr. Aseem Joshi	2.36	2.13
	Mr. Manish Poddar	1.27	1.17
Dividend paid	Pfaudler Inc	0.09	2.87
	Millars Machinery Company Private Limited	0.78	0.78
	Urmi Patel	0.47	0.47
	Uttarak Enterprises Private Limited	0.25	0.25
Issue of shares for Consideration other than cash (Refer Note 18d(2))	Millars Concrete Technologies Private Limited	-	170.40

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 40: Related Party Disclosures (Contd.)

(III) Material Related Party Transactions are as under (contd): (₹ in Crores)

Nature of transactions	Name of Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Donations received to GMM Pfaudler Foundation	Mrs. Payal Patel	-	0.01
	Ms. Panna Shailendra Patel	0.15	-
	A J Patel Charitable Trust	0.03	0.01
Balances outstanding as at year end			
Deposit outstanding	Ready Mix Concrete Limited	1.58	1.23
	J V Patel & Co.	1.33	1.14
Key Managerial Personal			
Remuneration Payable	Mr. Tarak Patel	2.86	5.33
	Mr. Assem Joshi	0.65	0.67

Compensation of Key Managerial Personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows :

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	15.22	16.89
Post-employment benefits	0.34	0.29
Other long-term benefits	0.04	0.02
Total	**15.60**	**17.20**

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Terms and conditions of transactions with Related Parties

Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the current year, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 41: Segment Reporting

(a) Reportable segment based on geographical area (₹ in Crores)

Particulars	India 31.03.2024	India 31.03.2023	Overseas 31.03.2024	Overseas 31.03.2023	Total 31.03.2024	Total 31.03.2023
Segment Revenue :						
Revenue from Operations	896.23	943.31	2,550.25	2,234.24	3,446.48	3,177.55
Segment Results:						
Profit / (Loss) before Tax and Interest	**112.52**	**163.49**	**237.65**	**174.15**	**350.17**	**337.64**
Less: Interest Expense					94.77	66.57
Profit before Tax					**255.40**	**271.07**
Taxes					81.30	60.70
Net Profit after Tax					**174.10**	**210.37**
Segment Assets	620.73	752.30	2,536.18	2,610.24	3,156.91	3,362.54
Segment Liabilities	452.06	595.78	1,730.62	1,954.83	2,182.68	2,550.61
Capital Expenditure	74.28	79.75	87.50	85.41	161.78	165.16
Depreciation on Property, Plant & Equipment and Other Intangible assets	29.30	29.82	77.50	64.02	106.80	93.84

Notes:

(a) The Group reviews its business segments in line with the reviews performed by Chief operating decision maker (CODM) regarding resource allocation and performance management and hence the group has classified geopgrahy (India and Overseas) as reportable segments which is in line with Ind AS 108, Operating Segments.

(b) Segment revenue, results, assets and liabilities include amounts that are directly attributable to the respective segments. Amounts not directly attributable have been allocated to the segments on the best judgment of the management.

(c) All reporting segments within the group follow a common accounting policies described in Note 4.

Geography wise Disclosure (₹ in Crores)

Non-current operating assets:	Year Ended 31.03.2024	Year Ended 31.03.2023
India	234.26	234.17
Overseas	916.92	941.05
Total	**1,151.18**	**1,175.22**

(b) Revenue from external customers for each product line (₹ in Crores)

Product line	Year Ended 31.03.2024	Year Ended 31.03.2023
Technologies	2,057.08	1,910.16
Systems	418.20	445.27
Services	971.20	822.12
Total	**3,446.48**	**3,177.55**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 42: Earning Per Share (EPS)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
The following reflects the Profit and Share data used in the Basic and Diluted EPS computations:		
Net profit attributable to equity shareholders of the Parent (₹ in Crores)	178.91	163.50
Weighted average number of Equity Shares in calculating basic EPS (a)	4,49,57,224	4,44,10,932
Add: Effect of Employee stock option (b)	10,719	15,857
Weighted average number of Equity Shares in calculating Diluted EPS (a+b)	4,49,67,943	4,44,26,789
Face value of Equity Share in ₹	2	2
Earnings per share (Basic) ₹	39.80	36.82
Earnings per share (Diluted) ₹	39.79	36.80

Note 43: Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries

(a) As at and for the year ended March 31, 2024

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consoli-dated net asset	(₹ in Crores)	As % of Consol-idated share in Profit or Loss	(₹ in Crores)	As % of Consol-idated other com-prehensive Income	(₹ in Crores)	As % of Consol-idated Total Compre-hensive income	(₹ in Crores)
	Holding Co. GMM Pfaudler Limited	77.11%	751.19	29.32%	51.05	24.10%	(1.26)	29.48%	49.79
	Subsidiaries								
	Foreign								
1	Mavag AG	15.18%	147.89	4.16%	7.23	-28.69%	1.50	5.17%	8.73
2	GMM International S.a.r.l	48.27%	470.28	-4.55%	(7.93)	0.00%	-	-4.69%	(7.93)
3	Pfaudler GmbH (Germany)	28.65%	279.08	5.90%	10.27	240.13%	(12.53)	-1.34%	(2.26)
4	Pfaudler Normag Systems GmbH (Germany)	5.05%	49.20	9.95%	17.32	1.25%	(0.07)	10.22%	17.25
5	Pfaudler Interseal GmbH (Germany)	3.43%	33.39	0.15%	0.25	0.00%	-	0.15%	0.25
6	Mixel France SAS	2.04%	19.86	-0.40%	(0.70)	-4.45%	0.23	-0.28%	(0.47)
7	Pfaudler services Benelux B.V. (Netherlands)	1.36%	13.28	2.12%	3.69	0.00%	-	2.19%	3.69
8	Pfaudler s.r.l. (Italy)	33.75%	328.82	12.07%	21.01	0.00%	-	12.44%	21.01
9	Hydro Air Research Italia S.r.l (Italy)	0.66%	6.44	3.42%	5.95	0.00%	-	3.52%	5.95
10	Pfaudler Limited (UK)	10.60%	103.26	5.99%	10.43	-5.54%	0.29	6.35%	10.72

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 43: Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries (Contd.)

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consoli-dated net asset	(₹ in Crores)	As % of Consol-idated share in Profit or Loss	(₹ in Crores)	As % of Consol-idated other com-prehensive Income	(₹ in Crores)	As % of Consol-idated Total Compre-hensive income	(₹ in Crores)
11	Pfaudler (Chang Zou) Process Equipment Company Limited (China)	8.31%	80.97	10.50%	18.28	0.00%	0.00	10.82%	18.28
12	Mixel Agitator Company Limited (China)	0.92%	8.94	2.16%	3.76	0.00%	-	2.22%	3.76
13	Pfaudler SA de CV (Mexico)	0.45%	4.42	0.50%	0.88	-4.06%	0.21	0.64%	1.09
14	Edlon, Inc. (USA)	7.78%	75.84	22.13%	38.52	0.00%	-	22.81%	38.52
15	GMM Pfaudler US Inc (USA)	11.56%	112.62	36.80%	64.06	-40.62%	2.12	39.19%	66.18
16	GMM Pfaudler JDS LLC (USA)	1.38%	13.40	-5.64%	(9.81)	0.00%	-	-5.81%	(9.81)
17	Professional Mixing Equipment Inc	2.69%	26.19	0.93%	1.62	0.00%	-	0.96%	1.62
18	Pfaudler Ltda. (Brazil)	5.98%	58.31	13.14%	22.88	0.00%	-	13.55%	22.88
19	Pfaudler Private Limited (Singapore)	0.06%	0.60	0.03%	0.06	0.00%	-	0.03%	0.06
	Domestic								
20	GMM Pfaudler Foundation	0.03%	0.26	0.02%	0.04	0.00%	-	0.02%	0.04
	Consolidation Adjustment	-165.26%	(1,610.01)	-48.69%	(84.76)	-82.12%	4.29	-47.65%	(80.47)
	Total		**974.23**		**174.10**		**(5.22)**		**168.88**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 43: Additional Information as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Subsidiaries (Contd.)

(b) As at and for the year ended March 31, 2023

Sr. No.	Name of Entity	Net Asset i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consoli-dated net asset	(₹ in Crore)	As % of Consol-idated share in Profit or Loss	(₹ in Crores)	As % of Consol-idated other compre-hensive Income	(₹ in Crores)	As % of Consol-idated Total Compre-hensive income	(₹ in Crores)
	Holding Co. GMM Pfaudler Limited	87.20%	707.98	47.03%	98.94	0.08%	0.09	31.17%	99.03
	Subsidiaries								
	Foreign								
1	Mavag AG	17.14%	139.16	2.52%	5.30	11.94%	12.81	5.70%	18.11
2	GMM International S.a.r.l	58.04%	471.22	39.94%	84.02	0.00%	-	26.45%	84.02
3	Pfaudler GmbH (Germany)	34.26%	278.20	14.18%	29.84	56.61%	60.74	28.51%	90.58
4	Pfaudler Normag Systems GmbH (Germany)	3.89%	31.59	6.24%	13.13	0.47%	0.50	4.29%	13.63
5	Pfaudler Interseal GmbH (Germany)	4.04%	32.84	0.74%	1.55	0.00%	-	0.49%	1.55
6	Mixel France SAS	2.48%	20.15	0.38%	0.79	-0.15%	(0.17)	0.20%	0.62
7	Pfaudler services Benelux B.V. (Netherlands)	1.39%	11.28	2.40%	5.06	0.00%	-	1.59%	5.06
8	Pfaudler s.r.l. (Italy)	37.57%	305.01	5.03%	10.59	0.00%	-	3.33%	10.59
9	Hydro Air Research Italia S.r.l (Italy)	0.06%	0.47	2.19%	4.60	0.00%	-	1.45%	4.60
10	Pfaudler Limited (UK)	11.05%	89.69	4.93%	10.37	17.63%	18.92	9.22%	29.29
11	Pfaudler (Chang Zou) Process Equipment Company Limited (China)	10.53%	85.53	7.24%	15.24	0.00%	-	4.80%	15.24
12	Mixel Agitator Company Limited (China)	0.66%	5.38	-0.41%	(0.86)	0.00%	-	-0.27%	(0.86)
13	Pfaudler SA de CV (Mexico)	0.73%	5.94	0.56%	1.17	0.16%	0.18	0.42%	1.35
14	Edlon, Inc. (USA)	6.01%	48.82	15.36%	32.31	0.00%	-	10.17%	32.31
15	GMM Pfaudler US Inc (USA)	5.58%	45.28	36.64%	77.09	16.20%	17.38	29.74%	94.47
16	GMM Pfaudler JDS LLC (USA)	2.82%	22.94	-1.94%	(4.08)	0.00%	-	-1.28%	(4.08)
17	Pfaudler Ltda. (Brazil)	6.57%	53.34	10.56%	22.22	0.00%	-	6.99%	22.22
18	Pfaudler Private Limited (Singapore)	0.07%	0.54	0.02%	0.04	0.00%	-	0.01%	0.04
	Domestic								
19	GMM Pfaudler Foundation	0.03%	0.22	0.10%	0.21	0.00%	-	0.07%	0.21
	Consolidation Adjustment	-190.12%	(1,543.65)	-93.72%	(197.16)	-2.94%	(3.15)	-63.06%	(200.31)
	Total		**811.93**		**210.37**		**107.30**		**317.67**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 44: Non-Controllling interest

(₹ in Crores)

Particulars	As at 31.03.2024	As at 31.03.2023
Balance at the beginning of the year	11.24	141.28
Share of (Loss) / Profit for the year	(4.81)	46.87
Movement during the year in Foreign Currency Translation Reserve	-	(23.50)
Share of Other Comprehensive Income for the year	-	33.18
Less: Acquisition of balance 46% stake from Non-controlling interest	-	(195.92)
Add: Share of Non-Controlling Interest in JDS Manufacturing Inc	-	13.24
Other adjustments	-	(3.91)
Total	**6.43**	**11.24**

Note 45: Business Combination

(1) During the year ended March 31 2023, the Group had acquired 100% stake in Hydro Air Research Italia S.r.l (HARI) through its wholly owned subsidiary Pfaudler s.r.l. Italy for a cash consideration of ₹41.16 Crore.

The Group also acquired 100% stake in Mixel France SAS ("Mixel") based in France and its wholly owned subsidiary Mixel Agitator Company Limited (Mixel Agitator) based in China through its wholly owned subsidiary Pfaudler GmbH, Germany for cash consideration of ₹67.32 Crores in the year ended March 31, 2023.

For the year ended March 31, 2023 the acquisition was provisionally accounted as per acquisition method of accounting in accordance with Ind AS 103 - "Business Combinations", effective from February 02, 2023 being the acquisition date.

The Group has completed the final determination of fair values of identified assets and liabilities for the purpose of Purchase Price Allocation for the aforesaid acquisitions in the current year.

The following table summarises the recognised amounts of assets acquired and liabilities assumed:

(₹ in Crores)

Particulars	HARI Final Fair value	HARI Provisional Fair Value	Mixel Final Fair Value	Mixel Provisional Fair Value	Mixel Agitator Final Fair Value	Mixel Agitator Provisional Fair Value
Non Current Assets						
(a) Property, Plant & Equipment	1.02	1.02	4.37	4.37	2.05	2.05
(b) Right of Use Assets	1.90	1.90	7.79	7.79	7.06	7.06
(c) Capital work-in-progress	-	-	-	-	-	-
(d) Other Intangible Assets	49.10	49.10	64.63	0.32	-	-
(e) Investments	-	-	-	-	-	-
(f) Deferred Tax Assets (net)	6.37	6.37	5.74	5.74	-	-
(g) Other non-current assets	-	-		-		-
Current assets						
(a) Inventories	0.37	0.37	17.80	13.90	7.63	7.63
(b) Financial Assets						
(i) Trade Receivables	7.35	7.35	24.60	24.60	1.92	1.92
(ii) Cash & Cash Equivalents	14.83	14.83	12.26	12.26	2.98	2.98
(iii) Bank balances other than above Cash & Cash Equivalents	-	-	-	-	2.40	2.40

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 45: Business Combination (Contd.)

(₹ in Crores)

Particulars	HARI Final Fair value	HARI Provisional Fair Value	Mixel Final Fair Value	Mixel Provisional Fair Value	Mixel Agitator Final Fair Value	Mixel Agitator Provisional Fair Value
(iv) Other current financial assets	13.19	13.19	14.01	14.01	0.47	0.47
(v) Other current assets	2.30	2.30	3.89	3.89	2.18	2.18
(c) Current tax assets (net)	0.92	0.92	-	-	-	-
Accumulated retained earnings	-	-	-	-	-	-
Non Current Liabilities						
(a) Financial liabilities						
(i) Borrowings	(5.56)	(5.56)	(13.46)	(13.46)	-	-
(ii) Lease Liablities	(1.59)	(1.59)	(4.95)	(4.95)	(6.25)	(6.25)
(b) Deferred tax liabilities (Net)	(21.47)	(21.47)	(18.03)	(0.97)	-	-
(c) Long term provisions	(2.17)	(2.17)	(6.77)	(6.77)	-	-
(d) Other non current liablities	-	-	-	-	-	-
Current liabilities						
(a) Financial liabilities						
(i) Borrowings	(1.23)	(1.23)	(9.21)	(9.21)	-	-
(ii) Lease Liablities	(0.35)	(0.35)	(2.84)	(2.84)	(0.82)	(0.82)
(iii) Trade payables	(30.61)	(30.61)	(19.27)	(19.27)	(8.61)	(8.61)
(iv) Other current financial liabilities	(0.56)	(0.56)	(12.06)	(12.06)	(0.63)	(0.63)
(b) Current Provisions	(1.00)	(1.00)	(2.26)	(2.26)	-	-
(c) Current tax liabilities (net)	-	-	-	-	(0.06)	(0.06)
(d) Other current liabilities	(1.57)	(1.57)	(6.31)	(6.31)	(3.98)	(3.98)
Net assets acquired	**31.24**	**31.24**	**59.93**	**8.78**	**6.34**	**6.34**

Goodwill arising on acquisition (₹ in Crores)

Particulars	Final Fair Value (HARI)	Final Fair Value (Mixel and Mixel Agitator)
Consideration transferred	41.16	67.32
Less: Fair value of identifiable net assets acquired	(31.24)	(66.27)
Goodwill arising on acquisition	**9.92**	**1.05**

Consequent to above the Group has restated the reported figures for the year ended March 31, 2023.

The summarized reconciliation of the reported and restated figures are as below:

Consolidated Statement of Profit and Loss (₹ in Crores)

Particulars	Year Ended March 31, 2023	
	Reported	Restated
Profit Before Tax	275.24	271.07
Profit After Tax	213.50	210.37
Total Other Comprehensive Income	**107.51**	**107.30**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 45: Business Combination (Contd.)

Consolidated Balance Sheet (₹ in Crores)

Particulars	March 31, 2023	
	Reported	Restated
(i) Non Current assets	1,284.68	1,290.73
(ii) Current assets	2,069.86	2,071.81
Total Assets	**3,354.54**	**3,362.54**
(i) Total Equity	815.27	811.93
(ii) Non - current liabilities	1,148.57	1,159.91
(ii) Current liabilities	1,390.70	1,390.70
Total Equity and Liabilities	**3,354.54**	**3,362.54**

(2) During the current year, the Group acquired "Professional Mixing Equipment Inc. ("MixPro")" by way of acquisition of 100% share capital of its holding company 2012875 Ontario Inc. through its subsidiary company GMM Pfaudler US Inc. based in USA.

GMM Pfaudler US Inc. through a special purpose vehicle incorporated in Canada acquired MixPro at a consideration of ₹55.04 Crores w.e.f December 01, 2023 with a deferred consideration of ₹15.38 Crores which will be paid out in future once certain conditions are met. The Group expects the fulfillment of these conditions are more likely than not.

The acquisition is provisionally accounted as per acquisition method of accounting in accordance with Ind AS 103 - "Business Combinations", effective from respective dates as mentioned above. Such provisional amounts are subject to change within the measurement period as provided in Ind AS 103 upon final determination of fair value for the purpose of purchase price allocation.

Group is in the process of making a final determination of fair values of the identified assets and liabilities for the purpose of purchase price allocation. Pending this, the Business Combination has been accounted based on provisional values.

The following table summarises the recognised amounts of assets acquired and liabilities assumed:

(₹ in Crores)

Particulars	Mix Pro Provisional Fair Value
Non Current Assets	
(a) Property, Plant & Equipment	0.36
(b) Right of Use Assets	3.38
(c) Capital work-in-progress	-
(d) Other Intangible Assets	-
(e) Investments	-
(f) Deferred Tax Assets (net)	1.22
(g) Other non-current assets	-
Current assets	
(a) Inventories	3.12
(b) Financial Assets	
(i) Trade Receivables	16.57
(ii) Cash & Cash Equivalents	16.51

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 45: Business combination (Contd.)

(₹ in Crores)

Particulars	Mix Pro Provisional Fair Value
(iii) Bank balances other than above Cash & Cash Equivalents	-
(iv) Others current financial assets	-
(v) Other current assets	0.06
(c) Current tax assets (net)	-
Accumulated retained earnings	-
Non Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	-
(ii) Lease Liablities	(2.55)
(b) Deferred tax liabilities (Net)	-
(c) Long term provisions	-
(d) Others non current liablities	-
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	-
(ii) Lease Liablities	(0.96)
(iii) Trade payables	(4.02)
(iv) Other current financial liabilities	-
(b) Current Provisions	(3.60)
(c) Current tax liabilities (net)	(3.27)
(d) Other current liabilities	(5.87)
Net assets acquired	**20.95**

Goodwill arising on acquisition (₹ in Crores)

Particulars	Mix Pro Provisional Fair Value
Consideration transferred	55.04
Less: Fair value of identifiable net assets acquired	(20.95)
Goodwill arising on acquisition	**34.09**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Note 46: No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

a) Crypto currency or virtual currency

b) Undisclosed income

c) Struck off Companies

d) Benami Property held under under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

e) Relating to borrowed funds:

(i) Wilful defaulter

(ii) Utilization of borrowed funds

(iii) Discrepancy in utilization of borrowings

(iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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.

(v) The Group has not received any fund from any person(s) or entity(ies), 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 to or on behalf of the Ultimate beneficiaries.

Note 47: Exceptional Items:

The exceptional items during the year ended March 31,2023 , relates to: a) One time legal costs amounting to ₹7.98 Crores incurred by the overseas subsidiaries to acquire and dispose various overseas subsidiaries and b) Provision for inventory amounting to ₹13.59 Crores due to export license rejection for a customer specific order in one of the overseas subsidiary.

Note 48: Proposed Dividend:

The Board of Directors, in their meeting held on May 22, 2024 have recommended a final dividend of ₹1 per share, subject to approval by shareholders of the Parent.

Note 49: The financial statements for the year ended March 31, 2024 were approved for issue by the Board of Directors on May 22, 2024.

For and on behalf of the Board of Directors of GMM Pfaudler Limited

Prakash Apte
Chairman
DIN: 00196106
Mumbai, May 22, 2024

Tarak Patel
Managing Director
DIN: 00166183
Mumbai, May 22, 2024

Manish Poddar
Chief Financial Officer
FCA 098238
Mumbai, May 22, 2024

Mittal Mehta
Company Secretary
FCS 7848
Mumbai, May 22, 2024

GRI Content Index

Statement of use	GMM Pfaudler has reported the information cited in this GRI content index for the period 01-Apr-2023 to 31-Mar-2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Disclosure Number (GRI)	DISCLOSURE	Page No.
2-1	Organizational details	177
2-2	Entities included in the organization's sustainability reporting	180
2-3	Reporting period, frequency and contact point	177
2-4	Restatements of information	210, 214
2-5	External assurance	177
2-6	Activities, value chain and other business relationships	178
2-7	Employees	178
2-8	Workers who are not employees	179
2-9	Governance structure and composition	70
2-10	Nomination and selection of the highest governance body	70, 71, 151
2-11	Chair of the highest governance body	70, 155, 156
2-12	Role of the highest governance body in overseeing the management of impacts	70, 187
2-13	Delegation of responsibility for managing impacts	72, 187
2-14	Role of the highest governance body in sustainability reporting	72, 187
2-15	Conflicts of interest	192
2-17	Collective knowledge of the highest governance body	155
2-19	Remuneration policies	131, 203
2-21	Annual total compensation ratio	55, 203
2-22	Statement on sustainable development strategy	187
2-23	Policy commitments	188, 189
2-24	Embedding policy commitments	187-189
2-25	Processes to remediate negative impacts	181, 195, 213, 204, 214
2-26	Mechanisms for seeking advice and raising concerns	195
2-27	Compliance with laws and regulations	190, 211
2-28	Membership associations	213
2-29	Approach to stakeholder engagement	30-32, 200-201
2-30	Collective bargaining agreements	196
3-1	Process to determine material topics	33-34
3-2	List of material topics	36
3-3	Management of material topics	36-39
201-1	Direct economic value generated and distributed	93
201-2	Financial implications and other risks and opportunities due to climate change	184
201-3	Defined benefit plan obligations and other retirement plans	195
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	202
204-1	Proportion of spending on local suppliers	214
205-2	Communication and training about anti-corruption policies and procedures	190
205-3	Confirmed incidents of corruption and actions taken	191

Disclosure Number (GRI)	DISCLOSURE	Page No.
302-1	Energy consumption within the organization	42
302-3	Energy intensity	206
302-4	Reduction of energy consumption	42-43
302-5	Reductions in energy requirements of products and services	42-45
303-1	Interactions with water as a shared resource	46
303-3	Water withdrawal	46
303-4	Water discharge	46
303-5	Water consumption	46
304-3	Habitats protected or restored	50-51
305-1	Direct (Scope 1) GHG emissions	42
305-2	Energy indirect (Scope 2) GHG emissions	42
305-4	GHG emissions intensity	208
305-5	Reduction of GHG emissions	42
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	208
306-2	Management of significant waste-related impacts	47, 48
306-3	Waste generated	47
306-4	Waste diverted from disposal	47
306-5	Waste directed to disposal	47
308-1	New suppliers that were screened using environmental criteria	192, 193
401-1	New employee hires and employee turnover	55
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	55, 194
401-3	Parental leave	195
403-1	Occupational health and safety management system	57
403-2	Hazard identification, risk assessment, and incident investigation	57
403-3	Occupational health services	57
403-4	Worker participation, consultation, and communication on occupational health and safety	57, 197, 198
403-5	Worker training on occupational health and safety	196
403-6	Promotion of worker health	197
403-9	Work-related injuries	197
403-10	Work-related ill health	197
404-1	Average hours of training per year per employee	56
404-3	Percentage of employees receiving regular performance and career development reviews	196
405-1	Diversity of governance bodies and employees	54, 55, 70
405-2	Ratio of basic salary and remuneration of women to men	55
406-1	Incidents of discrimination and corrective actions taken	203, 204
413-1	Operations with local community engagement, impact assessments, and development programs	48-51, 62-67, 214-215
417-1	Requirements for product and service information and labeling	215-216
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	216

NOTES

GMM Pfaudler Limited
902, Vios Tower, Commercial Tower 1, New Cuffe Parade
Sewri-Chembur Road, Mumbai 400 037

www.gmmpfaudler.com