

To,
BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalai Street, Fort,
Mumbai 400 001

30 May 2023

Scrip Code: 500264

Dear Sirs,

Sub: Outcome of the Board Meeting – 30th May 2023.

We wish to inform you that the following decisions have been taken at the Meeting of the Board of Directors of the Company held today (i.e. 30th May 2023):

1. The Board of Directors have approved the audited Standalone & Consolidated financial results of the Company for the quarter and year ended on 31st March 2023. Please find attached herewith the Standalone Financial Results together with the Auditors Report thereon (**Annexure 1**) and Consolidated Financial Results together with Auditors Report thereon (**Annexure 2**) in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Further, we hereby confirm and declare that the Statutory Auditors of the Company have issued Audit Report on Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended on 31st March 2023 with unmodified opinion.
3. Declaration by Chief Financial Officer regarding Unmodified Opinion on the Audited Standalone and Consolidated Financial Results (**Annexure 3**).
4. The 109th Annual General Meeting of the Company will be held on Thursday 3rd August 2023 through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM).
5. In accordance with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 28th July 2023 to Thursday, 3rd August 2023 (both days inclusive) for the purpose of annual closing and ensuing 109th Annual General Meeting of the Company. The Cut-off date for determining the eligibility of Members entitled to vote at the 109th AGM will be on Thursday, 27th July 2023 and the remote e-voting shall remain open for a period of three days commencing from Monday, 31st July 2023 at 9.00 a.m. to Wednesday, 2nd August 2023 at 5.00 p.m., (both days inclusive).

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6. The Board of Directors have approved substitution / alteration in the existing Object Clauses of the Memorandum of Association of the Company subject to approval of the shareholders of the Company in the ensuing 109th Annual General Meeting (AGM).

The Meeting of the Board of Directors commenced at 2.00 P.M. and concluded at 6.56 P.M.

Please arrange for taking the above disclosure on record and dissemination.

Thanking you,
Yours faithfully,

For Mafatlal Industries Limited,

AMISH KUMAR SHAH
Digitally signed
by AMISH
KUMAR SHAH
Date: 2023.05.30
18:59:12 +05'30'

Amish Shah
Company Secretary
Encl.: as above.



MAFATAL INDUSTRIES LIMITED						
Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off C. G. Road, Navrangpura, Ahmedabad - 380 009. Tel: 079-26444404-06, Fax: 079-26444403, Website: www.mafatfals.com, Email: ahmedabad@mafatfals.com, CIN: L17110GJ1913PLC000035						
STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023						
(Rs. in Lakhs)						
Sr. No.	PARTICULARS	Quarter ended			Financial Year ended	
		31st March, 2023 Unaudited (Refer Note 5)	31st December, 2022 Unaudited	31st March, 2022 Unaudited (Refer Note 5)	31st March, 2023 Audited	31st March, 2022 Audited
1	Income					
a	Revenue from operations	33,834.31	29,246.20	39,234.22	1,37,052.29	99,939.51
b	Other income (Refer Notes 7 and 8)	1,300.89	375.10	1,026.57	4,510.09	6,436.79
	Total income (a + b)	35,135.20	29,621.30	40,260.79	1,41,562.38	1,06,376.30
2	Expenses					
a	Cost of materials consumed	4,420.73	3,939.32	7,242.66	20,057.50	17,550.93
b	Purchases of stock-in-trade	22,663.66	16,716.05	24,729.00	90,662.03	66,068.05
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,223.21)	937.12	(858.86)	(3,460.66)	(4,392.05)
d	Employee benefits expense	1,296.05	1,379.05	1,151.13	5,203.93	4,153.43
e	Finance costs	453.94	444.06	434.13	1,771.75	1,859.39
f	Depreciation and amortisation expense	389.30	380.09	378.12	1,536.18	1,567.07
g	Other expenses	6,959.23	5,683.55	5,347.06	21,710.52	15,328.51
	Total expenses	33,959.70	29,479.24	38,423.24	1,37,481.25	1,02,135.33
3	Profit before exceptional items and tax (1 - 2)	1,175.50	142.06	1,837.55	4,081.13	4,240.97
4	Exceptional items (Refer Note 9)	-	(53.57)	-	(53.57)	(1,016.72)
5	Profit before tax for the period / year (3 - 4)	1,175.50	88.49	1,837.55	4,027.56	3,224.25
6	Tax expense					
a	Current tax	-	-	-	-	-
b	Deferred tax charge	-	-	(70.34)	(279.46)	(295.14)
	Total tax expense	-	-	(70.34)	(279.46)	(295.14)
7	Profit for the period / year (5 - 6)	1,175.50	88.49	1,767.21	3,748.10	2,929.11
8	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	- Changes in fair value of FVOCI equity instruments	(6,783.84)	(5,006.73)	4,313.01	(10,876.04)	18,950.54
	- Remeasurements of post-employment benefit obligations	(220.53)	(5.00)	(115.68)	(234.44)	(108.67)
9	Total comprehensive income for the period / year (7 + 8)	(5,828.87)	(4,923.24)	5,964.54	(7,362.38)	21,770.98
10	Paid-up equity share capital (face value of Rs. 2/- per share) (Refer Note 10)	1,411.88	1,409.58	1,407.07	1,411.88	1,407.07
11	Other equity	-	-	-	60,050.52	67,187.53
12	Earnings per share (face value of Rs.2/- per share) (not annualized) (Refer Note 10)					
	- Basic	1.67	0.13	2.52	5.32	4.19
	- Diluted	1.65	0.13	2.51	5.28	4.18

See accompanying notes to the Standalone Financial Results




Notes:

1 Standalone Segment wise Revenue, Results, Assets and Liabilities

(Rs. In Lakhs)

PARTICULARS	Quarter ended		Year ended
	31st March, 2023 Unaudited (Refer Note 5)	31st December, 2022 Unaudited	31st March, 2023 Audited
Segment Revenue			
Textile and related products	33,789.12	25,763.40	1,32,540.27
Technology and related products	45.19	3,482.80	4,512.02
Total Segment Revenue	33,834.31	29,246.20	1,37,052.29
Segment Results			
Textile and related products	1,314.91	663.62	4,238.79
Technology and related products	1.32	289.82	438.80
Segment Profit before finance costs and tax	1,316.23	953.44	4,677.59
Less: Finance costs (Unallocable)	(453.94)	(444.06)	(1,771.75)
Add: Unallocable income / (expenses) (net)	313.21	(367.32)	1,175.29
Profit before exceptional items and tax	1,175.50	142.06	4,081.13
Less: Exceptional items	-	(53.57)	(53.57)
Profit before tax for the period / year	1,175.50	88.49	4,027.56
Segment Assets			
Textile and related products	60,214.38	63,440.64	60,214.38
Technology and related products	92.68	1,049.13	92.68
Unallocable assets	57,194.41	65,028.98	57,194.41
	1,17,501.47	1,29,518.75	1,17,501.47
Segment Liabilities			
Textile and related products	44,293.38	50,125.49	44,293.38
Technology and related products	126.68	682.05	126.68
Unallocable Liabilities			
- Borrowings	9,360.11	9,023.68	9,360.11
- Others	2,258.90	2,450.80	2,258.90
	56,039.07	62,282.02	56,039.07

Footnotes:

i) Upto 30th June, 2022, the Company had identified 'Textile and related products' as its only primary reportable segment in accordance with the requirements of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided for the prior periods. From the quarter ended 30th September, 2022, the Company has identified and reported on the below mentioned business segments:

- Textile and related products
- Technology and related products

ii) Unallocable expenses are net of unallocable income (including income from investments and investment properties). Unallocable assets majorly pertain to investments.



Notes:

2 Standalone Statement of Assets and Liabilities

(Rs. In Lakhs)

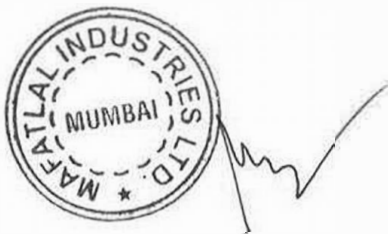
Particulars	As at 31st March, 2023 Audited	As at 31st March, 2022 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	9,101.86	9,275.88
(b) Right-of-use assets	73.74	-
(c) Investment properties	233.94	235.65
(d) Intangible assets	70.81	141.28
(e) Financial assets		
(i) Investments in subsidiaries	27.50	72.50
(ii) Other investments	52,288.19	63,295.36
(iii) Others financial assets	695.03	752.93
(f) Deferred tax assets (net)	498.11	777.57
(g) Other non-current assets	70.66	53.39
(h) Non-current tax assets (net)	1,620.84	1,480.41
Total non-current assets	64,680.68	76,084.97
Current assets		
(a) Inventories	10,624.28	7,195.88
(b) Financial assets		
(i) Investments	-	3.15
(ii) Trade receivables	28,585.86	25,415.77
(iii) Cash and cash equivalents	4,883.41	5,285.64
(iv) Bank balances other than (iii) above	2,423.67	3,692.77
(v) Loans	2.13	0.52
(vi) Others financial assets	2,054.31	1,575.82
(c) Other current assets	4,246.38	2,864.12
(d) Assets held for sale	0.75	0.13
Total current assets	62,820.79	46,033.80
TOTAL ASSETS	1,17,501.47	1,22,118.77
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,411.88	1,407.07
(b) Other equity	60,050.52	67,187.53
Total Equity	61,462.40	68,594.60
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,614.67	4,386.11
(ii) Lease liabilities	38.33	-
(iii) Other financial liabilities	1,968.86	1,929.38
(b) Other non-current liabilities	95.63	141.13
Total non-current liabilities	4,717.49	6,458.82
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,745.44	6,816.14
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	1,331.55	1,018.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	35,750.84	33,654.66
(iii) Lease liabilities	37.27	-
(iv) Other financial liabilities	3,041.71	2,410.16
(b) Provisions	1,264.85	1,210.02
(c) Other current liabilities	3,113.20	1,369.59
(d) Current tax liabilities (net)	-	20.59
(e) Liabilities directly associated with assets held for sale (net)	36.72	568.20
Total current liabilities	51,321.58	47,067.55
Total liabilities	56,039.07	53,524.17
TOTAL EQUITY AND LIABILITIES	1,17,501.47	1,22,118.77



3 Standalone Statement of Cash Flows

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March, 2023 Audited	31st March, 2022 Audited
A. Cash flows from operating activities		
Profit before exceptional items and tax	4,081.13	4,240.97
<u>Adjustments for:</u>		
Employee share-based payment expense	192.35	44.97
Depreciation and amortisation expense	1,536.18	1,567.07
Finance costs	1,771.75	1,859.39
Net gain on disposal of property, plant and equipment, investment properties	(1,849.81)	(4,692.45)
Net gain on sale of subsidiary	(362.48)	-
Interest income	(204.68)	(185.48)
Apportioned income from Government grants	(101.95)	(130.18)
Dividend income from equity investments designated at fair value through other comprehensive income	(758.90)	(511.22)
Rental income from investment properties	(311.76)	(359.03)
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(464.94)	(411.07)
Liabilities / provisions no longer required written back	(104.26)	(42.80)
Bad debts written off	140.98	261.57
Advances written off	26.77	40.10
Loss allowance on trade receivables / (written back)	293.34	(425.47)
Loss allowance on deposits	164.69	98.79
Net unrealised exchange gain	(53.14)	(17.69)
Operating profit before working capital changes	3,995.27	1,337.47
<u>Changes in working capital</u>		
<u>Adjustments for:</u>		
Increase in inventories	(3,428.40)	(4,748.92)
Increase in trade and other receivables	(5,623.85)	(3,391.23)
Increase in trade and other payables	4,818.70	9,164.84
(Decrease) / increase in provisions	(179.61)	29.76
	(4,413.16)	1,054.45
Cash (used in) / generated from operations	(417.89)	2,391.92
Direct taxes paid (net of refund received)	(161.02)	(399.48)
Exceptional items	(53.57)	(1,016.72)
Net cash (outflow) / inflow from operating activities	(632.48)	975.72
B. Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(1,526.15)	(423.62)
Payments for investment properties	(15.90)	-
Proceeds from sale of investment properties	787.75	2,000.00
Proceeds from sale of property, plant and equipment / assets held for sale	775.31	4,409.15
Purchase of investments	(10.00)	(17.50)
Proceeds from sale of investments	144.28	70.40
Proceeds from sale of subsidiary	407.48	-
Term deposits matured / (placed) with banks (net)	1,330.36	(1,378.45)
Interest income	220.08	185.48
Dividend income from equity investments designated at fair value through other comprehensive income	758.90	511.22
Rental income from investment properties	311.76	359.03
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	464.94	411.07
Net cash inflow from investing activities	3,648.81	6,126.78
C. Cash flows from financing activities		
Proceeds from issues of equity shares	37.83	115.61
Non-current borrowings taken	169.88	29.65
Non-current borrowings repaid	(1,639.77)	(2,454.68)
Current borrowings taken / (repaid) (net)	(353.36)	(1,174.56)
Principal element of lease payment	(8.69)	-
Interest paid on lease liabilities	(3.63)	-
Interest paid (including other finance costs)	(1,620.82)	(1,862.10)
Net cash outflow from financing activities	(3,418.56)	(5,346.08)
Net (decrease) / increase in cash and cash equivalents	(402.23)	1,756.42
Cash and cash equivalents at the beginning of the year	5,285.64	3,529.22
Cash and cash equivalents at the end of the year	4,883.41	5,285.64



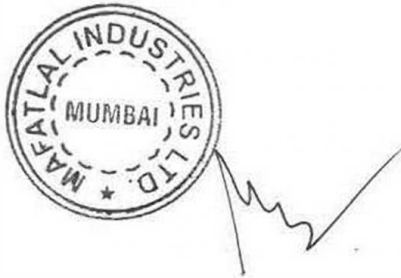
Notes:

- 4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th May, 2023.
- 5 Figures for the quarter ended 31st March, 2023 and 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 6 During the financial year ended 31st March, 2019, the Company had filed a review petition against the Order of Honourable Bombay High Court partially allowing the Writ petition No. 2982 of 2016 filed by the Company, in so far as it related to rejection of the claim of the Company for non-cash compensation benefit (TDR) against surrender of a part of land at Mazgaon (reserved land) to Municipal Corporation of Greater Mumbai (MCGM). Subsequent to year-end, the said review petition was dismissed by the Honourable Bombay High Court on 20th April, 2023. The Company is in the process of obtaining legal advice on this matter and shall take necessary action accordingly.
- 7 Other income includes net profit on sale of investment property and land parcels aggregating to Rs. 985.62 lakhs and Rs.1,550.39 lakhs for the quarter and year ended 31st March, 2023 respectively (Rs. 895.71 lakhs and Rs. 4,524.85 lakhs for the quarter and year ended 31st March, 2022 respectively).
- 8 On 16th June, 2022, the Board of Directors of the Company approved the divestment of its investment in Vrata Tech Solutions Private Limited (VTS), a subsidiary company representing 77.78% of the paid-up share capital of VTS. As a result, a Share Purchase Agreement was entered on 20th June, 2022 with a promoter group company for the total consideration of Rs. 407.48 lakhs, (based on fair value of equity share of VTS carried-out by the independent valuer) which was concluded on 30th June, 2022. Upon receipt of consideration, profit of Rs. 362.48 lakhs was accounted in the quarter ended 30th June, 2022 and included in other income. Subsequent to this transaction, VTS ceased to be a subsidiary of the Company with effect from 30th June, 2022.
- 9 Exceptional item includes the following:

Particulars	Quarter ended			Year ended	
	31st March, 2023	31st December, 2022	31st March, 2022	31st March, 2023	31st March, 2022
(a) Employee severance cost comprising voluntary retirement schemes at Nadiad and Navsari [Refer notes (I) and (II) below]	-	53.57	-	53.57	114.30
(b) Impact due to Covid-19 - Write-down of current assets (includes inventories and select receivables) [(Refer note (III) below)]	-	-	-	-	902.42
Total	-	53.57	-	53.57	1,016.72



- Note (I): During the financial year ended 31st March, 2021, the Company had entered into a Memorandum of Understanding (MOU) with Workers' Union at its Nadiad location to reduce its workforce and accordingly recognised expenses towards compensation payable as full and final settlement to its workers who accepted the offer and disclosed the same as an exceptional item. The aforesaid MOU has been terminated in the quarter ended 30th September, 2021 and therefore there is no further compensation payable under the said MOU.
- Note (II): During the quarter ended 31st December, 2022 and year ended 31st March, 2023, the Company has recognized Rs. 53.57 lakhs as expense towards compensation payable as full and final settlement to its certain workers at Navsari location. The same has been disclosed as an exceptional item for the quarter ended 31st December, 2022 and for the year ended 31st March, 2023.
- Note (III): The Company had estimated and recognized an impairment loss against carrying value of trade receivables and inventories as at 30th June, 2021, owing to Covid-19 related uncertainties and disclosed the same under exceptional item during the quarter ended 30th June, 2021 and year ended 31st March, 2022.
- 10 The Board of Directors at its meeting held on 17th September, 2022, recommended a proposal for sub-division of 1 equity share of the Company having a face value of Rs. 10/- each into 5 equity shares having a face value of Rs. 2/- each, which had also been approved by the shareholders of the Company on 7th November, 2022. The Company had fixed 25th November, 2022 as the record date for such sub-division and completed the process of allotment of the new equity shares having face value of Rs. 2/- each on 25th November, 2022. The basic and diluted EPS for the prior periods have been restated considering a face value of Rs. 2/- each in accordance with Ind AS 33 – "Earnings per share".
- 11 The Board of Directors of the Company at its meeting held on 14th November, 2022, has approved the scheme of arrangement for capital reduction and reorganisation pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013. The scheme will be given effect to on receipt of requisite approvals.
- 12 Previous period figures have been regrouped/reclassified, wherever necessary, to conform to the current period classification.



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

H. A. Mafatal
Chairman
(DIN:00009872)
Mumbai
30th May, 2023

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited

Report on the audit of standalone financial results

Opinion

1. We have audited the standalone annual financial results of Mafatlal Industries Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2023, the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows as at and for the year ended on that date (hereinafter referred to as the "standalone financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023, the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the standalone financial results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
Report on the audit of standalone financial results

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Board of Directors' responsibilities for the standalone financial results

4. These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone financial results by the Directors of the Company, as aforesaid.
5. In preparing the standalone financial results, the Board of Directors of the Company is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company is responsible for overseeing the financial reporting process of the Company.

Auditor's responsibilities for the audit of the standalone financial results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.
8. 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 results, 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.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
Report on the audit of standalone financial results

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls (Refer paragraph 11 below).
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors 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 Company 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 results 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 results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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.

Other Matters

10. The standalone financial results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.



Price Waterhouse Chartered Accountants LLP


INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
Report on the audit of standalone financial results

Page 4 of 4

11. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with Bombay Stock Exchange (BSE). These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2023 on which we issued an unmodified audit opinion vide our report dated May 30, 2023.

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


Pankaj Khandelia
Partner
Membership Number: 102022
UDIN: 23102022BGTWNL8157

Place: Mumbai
Date: May 30, 2023

MAFATAL INDUSTRIES LIMITED

Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off C. G. Road, Navrangpura, Ahmedabad - 380 009.

Tel: 079-26444404-06, Fax: 079-26444403, Website: www.mafatals.com,

Email: ahmedabad@mafatals.com, CIN: L17110GJ1913PLC000035

Annexure - 2

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakhs)

Sr. No.	PARTICULARS	Quarter ended			Financial Year ended	
		31st March, 2023 Unaudited (Refer Note 5)	31st December, 2022 Unaudited	31st March, 2022 Unaudited (Refer Note 5)	31st March, 2023 Audited	31st March, 2022 Audited
1	Income					
a	Revenue from operations	33,841.46	29,249.75	39,314.91	1,37,171.03	1,00,307.29
b	Other income (Refer Notes 7 and 8)	1,301.00	375.20	1,025.33	4,519.65	6,435.99
	Total income (a + b)	35,142.46	29,624.95	40,340.24	1,41,690.68	1,06,743.28
2	Expenses					
a	Cost of materials consumed	4,420.73	3,939.32	7,242.66	20,057.50	17,550.93
b	Purchases of stock-in-trade	22,663.66	16,716.05	24,768.69	90,748.93	66,235.69
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,223.20)	937.12	(860.57)	(3,488.89)	(4,393.76)
d	Employee benefits expense	1,301.62	1,383.29	1,265.82	5,316.03	4,459.10
e	Finance costs	453.94	444.06	437.79	1,771.80	1,863.05
f	Depreciation and amortization expense	389.34	380.13	386.34	1,542.94	1,576.51
g	Other expenses	6,960.87	5,682.92	5,335.27	21,702.56	15,284.21
	Total expenses	33,966.96	29,482.89	38,576.00	1,37,650.87	1,02,575.73
3	Profit before exceptional items (1 - 2)	1,175.50	142.06	1,764.24	4,039.81	4,167.55
4	Exceptional items (Refer Note 9)	-	(53.57)	-	(53.57)	(1,016.72)
5	Profit before tax for the period / year (3 - 4)	1,175.50	88.49	1,764.24	3,986.24	3,150.83
6	Tax expense					
a	Current tax	-	-	-	-	-
b	Deferred tax charge	-	-	(60.46)	(279.46)	(285.26)
	Total tax expense	-	-	(60.46)	(279.46)	(285.26)
7	Profit for the period / year (5 - 6)	1,175.50	88.49	1,703.78	3,706.78	2,865.57
8	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	- Changes in fair value of FVOCI equity instruments	(6,783.84)	(5,006.73)	4,313.01	(10,876.04)	18,950.54
	- Remeasurements of post-employment benefit obligations	(220.53)	(5.00)	(115.68)	(234.44)	(108.67)
9	Total comprehensive income for the period / year (7 + 8)	(5,828.87)	(4,923.24)	5,901.11	(7,403.70)	21,707.44
10	Profit / (Loss) is attributable to					
	Owners of Mafatal Industries Limited	1,175.50	88.49	1,714.51	3,718.00	2,876.30
	Non controlling interest	-	-	(10.73)	(11.22)	(10.73)
		1,175.50	88.49	1,703.78	3,706.78	2,865.57
11	Other comprehensive income is attributable to					
	Owners of Mafatal Industries Limited	(7,004.37)	(5,011.73)	4,197.33	(11,110.48)	18,841.87
	Non controlling interest	-	-	-	-	-
		(7,004.37)	(5,011.73)	4,197.33	(11,110.48)	18,841.87
12	Total comprehensive income is attributable to					
	Owners of Mafatal Industries Limited	(5,828.87)	(4,923.24)	5,911.84	(7,392.48)	21,718.17
	Non controlling interest	-	-	(10.73)	(11.22)	(10.73)
		(5,828.87)	(4,923.24)	5,901.11	(7,403.70)	21,707.44
13	Paid-up equity share capital (face value of Rs. 2/- per share) (Refer Note 10)	1,411.88	1,409.58	1,407.07	1,411.88	1,407.07
14	Other equity	-	-	-	60,032.94	67,200.05
15	Earnings per share (face value of Rs. 2/- per share) (not annualized) (Refer Note 10)					
	- Basic	1.67	0.13	2.43	5.26	4.10
	- Diluted	1.65	0.13	2.42	5.22	4.09

See accompanying notes to the Consolidated Financial Results



Notes:

1 Consolidated Segment wise Revenue, Results, Assets and Liabilities

PARTICULARS	(Rs. in Lakhs)		
	Quarter ended		Year ended
	31st March, 2023 Unaudited (Refer Note 5)	31st December, 2022 Unaudited	31st March, 2023 Audited
Segment Revenue			
Textile and related products	33,796.27	25,766.95	1,32,659.01
Technology and related products	45.19	3,482.80	4,512.02
Total Segment Revenue	33,841.46	29,249.75	1,37,171.03
Segment Results			
Textile and related products	1,314.91	663.62	4,238.79
Technology and related products	1.32	289.82	438.80
Segment Profit before finance costs and tax	1,316.23	953.44	4,677.59
Less: Finance costs (Unallocable)	(453.94)	(444.06)	(1,771.80)
Add: Unallocable income / (expenses) (net)	313.21	(367.32)	1,134.02
Profit before exceptional items and tax	1,175.50	142.06	4,039.81
Less: Exceptional items	-	(53.57)	(53.57)
Profit before tax for the period / year	1,175.50	88.49	3,986.24
Segment Assets			
Textile and related products	60,214.38	63,440.64	60,214.38
Technology and related products	92.68	1,049.13	92.68
Unallocable assets	57,179.93	65,012.68	57,179.93
	1,17,486.99	1,29,502.45	1,17,486.99
Segment Liabilities			
Textile and related products	44,282.02	50,125.40	44,282.02
Technology and related products	126.68	682.05	126.68
Unallocable Liabilities			
- Borrowings	9,360.11	9,023.68	9,360.11
- Others	2,272.65	2,462.68	2,272.65
	56,041.46	62,293.81	56,041.46

Footnotes:

- i) Upto 30th June, 2022, the Group had identified 'Textile and related products' as its only primary reportable segment in accordance with the requirements of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided for the prior periods. From the quarter ended 30th September, 2022, the Group has identified and reported on the below mentioned business segments:
- Textile and related products
 - Technology and related products

- ii) Unallocable expenses are net of unallocable income (including income from investments and investment properties). Unallocable assets majorly pertain to investments.



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Notes:

2 Consolidated Statement of Assets and Liabilities

(Rs. in Lakhs)

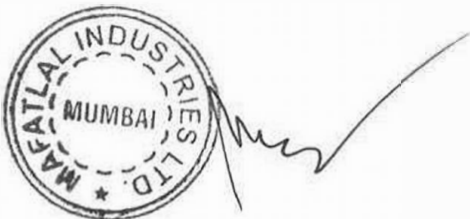
Particulars	As at 31st March, 2023 Audited	As at 31st March, 2022 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	9,102.08	9,285.94
(b) Right-of-use assets	73.74	102.49
(c) Investment properties	233.94	235.65
(d) Intangible assets	70.81	141.28
(e) Financial assets		
(i) Investments	52,288.19	63,295.36
(ii) Others financial assets	695.03	765.58
(f) Deferred tax assets (net)	498.11	787.45
(g) Other non-current assets	70.66	53.39
(h) Non-current tax assets (net)	1,620.84	1,510.44
Total non-current assets	84,653.40	76,177.58
Current assets		
(a) Inventories	10,624.28	7,197.59
(b) Financial assets		
(i) Investments	-	3.15
(ii) Trade receivables	28,588.64	25,444.19
(iii) Cash and cash equivalents	4,884.71	5,369.00
(iv) Bank balances other than (iii) above	2,431.67	3,699.77
(v) Loans	2.13	0.52
(vi) Others financial assets	2,054.31	1,575.89
(c) Other current assets	4,247.10	2,871.71
(d) Assets held for sale	0.75	0.13
Total current assets	62,833.69	46,161.96
TOTAL ASSETS	1,17,488.99	1,22,339.63
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,411.88	1,407.07
(b) Other equity	60,032.94	67,200.05
Equity attributable to owners of Mafatal Industries Limited	61,444.82	68,607.12
Non Controlling Interest	0.71	23.11
Total Equity	81,446.53	68,630.23
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,614.67	4,386.11
(ii) Lease liabilities	38.33	79.27
(iii) Other financial liabilities	1,973.65	1,934.17
(b) Other non-current liabilities	95.63	141.13
Total non-current liabilities	4,722.28	6,540.88
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	6,745.44	6,816.14
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	1,331.55	1,026.73
- total outstanding dues of creditors other than micro enterprises and small enterprises	35,745.20	33,661.94
(iii) Lease liabilities	37.27	25.80
(ii) Other financial liabilities	3,041.71	2,410.16
(b) Provisions	1,267.49	1,251.18
(c) Other current liabilities	3,113.80	1,387.88
(d) Current tax liabilities (net)	-	20.59
(e) Liabilities directly associated with assets held for sale (net)	36.72	568.20
Total current liabilities	51,319.18	47,168.62
Total liabilities	66,041.46	53,709.30
TOTAL EQUITY AND LIABILITIES	1,17,488.99	1,22,339.63



3 Consolidated Statement of Cash Flows

(Rs. In Lakhs)

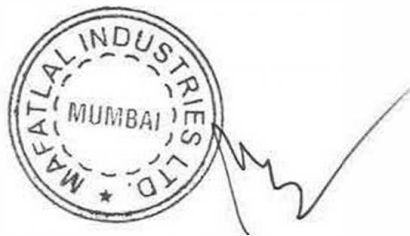
Particulars	Year ended 31st March, 2023 Audited	Year ended 31st March, 2022 Audited
A. Cash flows from operating activities		
Profit before exceptional items and tax	4,039.81	4,167.55
<u>Adjustments for:</u>		
Employee share-based payment expense	192.35	47.60
Depreciation and amortisation expense	1,542.94	1,576.51
Finance costs	1,771.80	1,863.05
Net gain on disposal of property, plant and equipment, investment properties	(1,849.81)	(4,692.45)
Net gain on sale of subsidiary	(371.62)	-
Interest Income	(205.11)	(185.82)
Apportioned income from Government grants	(101.95)	(130.18)
Dividend income from equity investments designated at fair value through other comprehensive income	(758.90)	(511.22)
Rental income from investment properties	(311.76)	(359.03)
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	(464.94)	(411.07)
Liabilities / provisions no longer required written back	(104.26)	(42.80)
Bad debts written off	140.98	261.57
Advances written off	26.77	40.10
Loss allowance on trade receivables / (written back)	293.34	(392.28)
Loss allowance on deposits	164.69	98.79
Net unrealised exchange gain	(53.14)	(17.69)
Operating profit before working capital changes	3,951.19	1,312.63
Changes in working capital		
<u>Adjustments for:</u>		
Increase in inventories	(3,456.64)	(4,750.63)
Increase in trade and other receivables	(5,639.94)	(3,421.76)
Increase in trade and other payables	4,828.04	9,188.14
(Decrease) / increase in provisions	(181.94)	65.07
	(4,450.48)	1,080.82
Cash (used in) / generated from operations	(499.29)	2,393.45
Direct taxes paid (net of refund received)	(161.02)	(424.95)
Exceptional items	(53.57)	(1,016.72)
Net cash (outflow) / Inflow from operating activities	(713.88)	951.78
B. Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(1,530.91)	(440.16)
Payments for investment properties	(15.90)	-
Proceeds from sale of investment properties	787.75	2,000.00
Proceeds from sale of property, plant and equipment / assets held for sale	775.31	4,409.15
Purchase of investments	(10.00)	(17.50)
Proceeds from sale of subsidiary (net of cash disposed)	356.02	-
Proceeds from sale of investments	144.28	70.40
Term deposits matured / (placed) with banks (net)	1,330.36	(1,378.45)
Interest income	220.52	185.82
Dividend income from equity investments designated at fair value through other comprehensive income	758.90	511.22
Rental income from investment properties	311.76	359.03
Utility / business service / air-conditioning charges and other receipts in respect of investment properties	464.94	411.07
Net cash inflow from investing activities	3,593.03	6,110.58
C. Cash flows from financing activities		
Proceeds from issues of equity shares	37.83	115.61
Proceeds from issues of equity shares of subsidiary	-	106.28
Non-current borrowings taken	169.88	29.65
Non-current borrowings repaid	(1,639.77)	(2,454.68)
Current borrowings taken / (repaid) (net)	(278.33)	(1,174.56)
Principal element of lease payment	(28.50)	2.58
Interest paid on lease liabilities	(3.68)	-
Interest paid (including other finance costs)	(1,620.87)	(1,865.76)
Net cash outflow from financing activities	(3,363.44)	(5,240.88)
Net (decrease) / increase in cash and cash equivalents	(484.29)	1,821.48
Cash and cash equivalents at the beginning of the year	5,369.00	3,547.52
Cash and cash equivalents at the end of the year	4,884.71	5,369.00



Notes:

- 4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th May, 2023.
- 5 Figures for the quarter ended 31st March, 2023 and 31st March, 2022 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 6 During the financial year ended 31st March, 2019, the Company had filed a review petition against the Order of Honourable Bombay High Court partially allowing the Writ petition No. 2982 of 2016 filed by the Company, in so far as it related to rejection of the claim of the Company for non-cash compensation benefit (TDR) against surrender of a part of land at Mazgaon (reserved land) to Municipal Corporation of Greater Mumbai (MCGM). Subsequent to year-end, the said review petition was dismissed by the Honourable Bombay High Court on 20th April, 2023. The Company is in the process of obtaining legal advice on this matter and shall take necessary action accordingly.
- 7 Other income includes net profit on sale of investment property and land parcels aggregating to Rs. 985.62 lakhs and Rs.1,550.39 lakhs for the quarter and year ended 31st March, 2023 respectively (Rs. 895.71 lakhs and Rs. 4,524.85 lakhs for the quarter and year ended 31st March, 2022 respectively).
- 8 On 16th June, 2022, the Board of Directors of the Company approved the divestment of its investment in Vrata Tech Solutions Private Limited (VTS), a subsidiary company representing 77.78% of the paid-up share capital of VTS. As a result, a Share Purchase Agreement was entered on 20th June, 2022 with a promoter group company for the total consideration of Rs. 407.48 lakhs, (based on fair value of equity share of VTS carried-out by the independent valuer) which was concluded on 30th June, 2022. Upon receipt of consideration, profit of Rs. 371.62 lakhs was accounted in the quarter ended 30th June, 2022 and included in other income. Subsequent to this transaction, VTS ceased to be a subsidiary of the Company with effect from 30th June, 2022.
- 9 Exceptional item includes the following:

Particulars	Quarter ended			Year ended	
	31st March, 2023	31st December, 2022	31st March, 2022	31st March, 2023	31st March, 2022
(a) Employee severance cost comprising voluntary retirement schemes at Nadiad and Navsari [Refer notes (I) and (II) below]	-	53.57	-	53.57	114.30
(b) Impact due to Covid-19 - Write-down of current assets (includes inventories and select receivables) [(Refer note (III) below)]	-	-	-	-	902.42
Total	-	53.57	-	53.57	1,016.72



- Note (I): During the financial year ended 31st March, 2021, the Company had entered into a Memorandum of Understanding (MOU) with Workers' Union at its Nadiad location to reduce its workforce and accordingly recognised expenses towards compensation payable as full and final settlement to its workers who accepted the offer and disclosed the same as an exceptional item. The aforesaid MOU has been terminated in the quarter ended 30th September, 2021 and therefore there is no further compensation payable under the said MOU.
- Note (II): During the quarter ended 31st December, 2022 and year ended 31st March, 2023, the Company has recognized Rs. 53.57 lakhs as expense towards compensation payable as full and final settlement to its certain workers at Navsari location. The same has been disclosed as an exceptional item for the quarter ended 31st December, 2022 and for the year ended 31st March, 2023.
- Note (III): The Company had estimated and recognized an impairment loss against carrying value of trade receivables and inventories as at 30th June, 2021, owing to Covid-19 related uncertainties and disclosed the same under exceptional item during the quarter ended 30th June, 2021 and year ended 31st March, 2022.
- 10 The Board of Directors at its meeting held on 17th September, 2022, recommended a proposal for sub-division of 1 equity share of the Company having a face value of Rs. 10/- each into 5 equity shares having a face value of Rs. 2/- each, which had also been approved by the shareholders of the Company on 7th November, 2022. The Company had fixed 25th November, 2022 as the record date for such sub-division and completed the process of allotment of the new equity shares having face value of Rs. 2/- each on 25th November, 2022. The basic and diluted EPS for the prior periods have been restated considering a face value of Rs. 2/- each in accordance with Ind AS 33 – "Earnings per share".
- 11 The Board of Directors of the Company at its meeting held on 14th November, 2022, has approved the scheme of arrangement for capital reduction and reorganisation pursuant to the provisions of Section 230 and other applicable provisions of the Companies Act, 2013. The scheme will be given effect to on receipt of requisite approvals.
- 12 The consolidated financial results include the financial results of two subsidiaries:
- Mafatlal Services Limited (MSL)
 - Vrata Tech Solutions Private Limited (VTS) (up to 30th June, 2022; also refer note 8)
- 13 Previous period figures have been regrouped/reclassified, wherever necessary, to conform to the current period classification.



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

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai
30th May, 2023

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited

Report on the audit of consolidated financial results

Opinion

1. We have audited the consolidated annual financial results of Mafatlal Industries Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended March 31, 2023, the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows as at and for the year ended on that date (hereinafter referred to as the "consolidated financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') which has been initialled by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate audited financial statements / financial information of the subsidiaries, the aforesaid consolidated financial results:
 - (i) include the annual financial results / financial information of the following entities:
 - a. Mafatlal Services Limited; and
 - b. Vrata Tech Solutions Private Limited (up to June 30, 2022; also refer note 8 to the consolidated financial results)
 - (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2023, the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows as at and for the year ended on that date.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
Report on the audit of consolidated financial results

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Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial results' 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in paragraph 11 of the "Other Matters" section below, other than the unaudited financial information as certified by the Board of Directors and referred to in paragraph 12 of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' responsibilities for the consolidated financial results

4. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group and the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 of the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
5. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
Report on the audit of consolidated financial results

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Auditor's responsibilities for the audit of the consolidated financial results

7. Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.
8. 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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls (Refer paragraph 15 below).
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors 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 results 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 results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.



Price Waterhouse Chartered Accountants LLP

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To the Board of Directors of Mafatlal Industries Limited
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- Obtain sufficient appropriate audit evidence regarding the financial results / financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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.
10. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

11. We did not audit the financial statements of one subsidiary (i.e. Mafatlal Services Limited) included in the consolidated financial results, whose financial statements reflect total assets of Rs. 13.02 lakhs and net assets of Rs. 4.57 lakhs as at March 31, 2023, total revenue of Rs. 31.55 lakhs and total net loss after tax of Rs. 0.10 lakhs, and total comprehensive income of Rs. (0.10 lakhs) for the year ended March 31, 2023, and cash inflows (net) of Rs. 0.49 lakhs for the year ended March 31, 2023, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 10 above.
12. The consolidated financial results includes the unaudited financial information of one subsidiary (i.e. Vrata Tech Solutions Private Limited, also refer paragraph 2 above), whose financial information reflect total assets and net assets of Rs. Nil as at March 31, 2023, total revenue of Rs. 149.12 lakhs, total net loss after tax of Rs. 50.47 lakhs, and total comprehensive income of Rs. (50.47 lakhs) for the period from April 1, 2022 to June 30, 2022, and cash outflows (net) of Rs. 31.08 lakhs for the period from April 1, 2022 to June 30, 2022, as considered in the consolidated financial results. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.



Price Waterhouse Chartered Accountants LLP

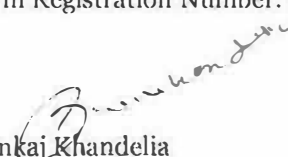
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mafatlal Industries Limited
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13. Our opinion on the consolidated financial results is not modified in respect of the matters stated in paragraphs 11 and 12 above with respect to our reliance on the work done and the report of the other auditors and the financial information certified by the Board of Directors.
14. The consolidated financial results include the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
15. The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with Bombay Stock Exchange (BSE). These results are based on and should be read with the audited consolidated financial statements of the Group, for the year ended March 31, 2023 on which we have issued an unmodified audit opinion vide our report dated May 30, 2023.

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


Pankaj Khandelia
Partner

Membership Number: 102022
UDIN: 23102022BGTWNM4200

Place: Mumbai
Date: May 30, 2023

Mafatlal

MAFATLAL INDUSTRIES LIMITED

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☎ 91 22 6771 3800 / 3900
🌐 website: www.mafatlals.com
📍 **Regd. Office :** 301-302, Heritage Horizon, Third Floor,
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☎ 91 79 2644 4404 F: 91 79 2644 4403
CIN: L17110GJ1913PLC000035

30th May 2023

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalai Street, Fort,
Mumbai 400 001

Scrip Code: 500264

Dear Sirs,

Sub.: Declaration pursuant to Regulations 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby declare that the M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors of the Company, have issued Audit Reports with unmodified opinion on the Annual Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2023.

This is for your information and record.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited,


Milan Shah
Chief Financial Officer.

