Mafatlal
MAFATLAL INDUSTRIES LIMITED

Regd. Office : 301-302, Heritage Horizon, 3rd Floor, Off. C. G. Road,
Navrangpura, Ahmedabad 380 009. Email : ahmedabad@mafatlals.com
Tel. : 079 26444404-06 Fax : 079 26444403
Corp. Off. : Mafatlal House, 5th Floor, H.T. Parekh Marg,
Backbay Reclamation, Churchgate, Mumbai - 400 020.
Tel. : 91 022 6617 3636, Fax : 91 022 6635 7633
CIN : L17110GJ1913PLC000035 Website : www.mafatlals.com

July 2, 2022.

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

BSE Code: 500264

Dear Sir,

Sub: 108th Annual Report together with the Notice of the Annual General Meeting (AGM) for the Financial Year 2021-2022.

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Annual Report of the Company for the Financial Year 2021-2022 along with the Notice of 108th Annual General Meeting (AGM).

The 108th Annual General Meeting (AGM) of the Company will be held on Saturday, July 30, 2022 at 12.00 noon (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India.

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

This is for your information and record.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited

Amish Shah
Company Secretary

MAFATLAL INDUSTRIES LIMITED

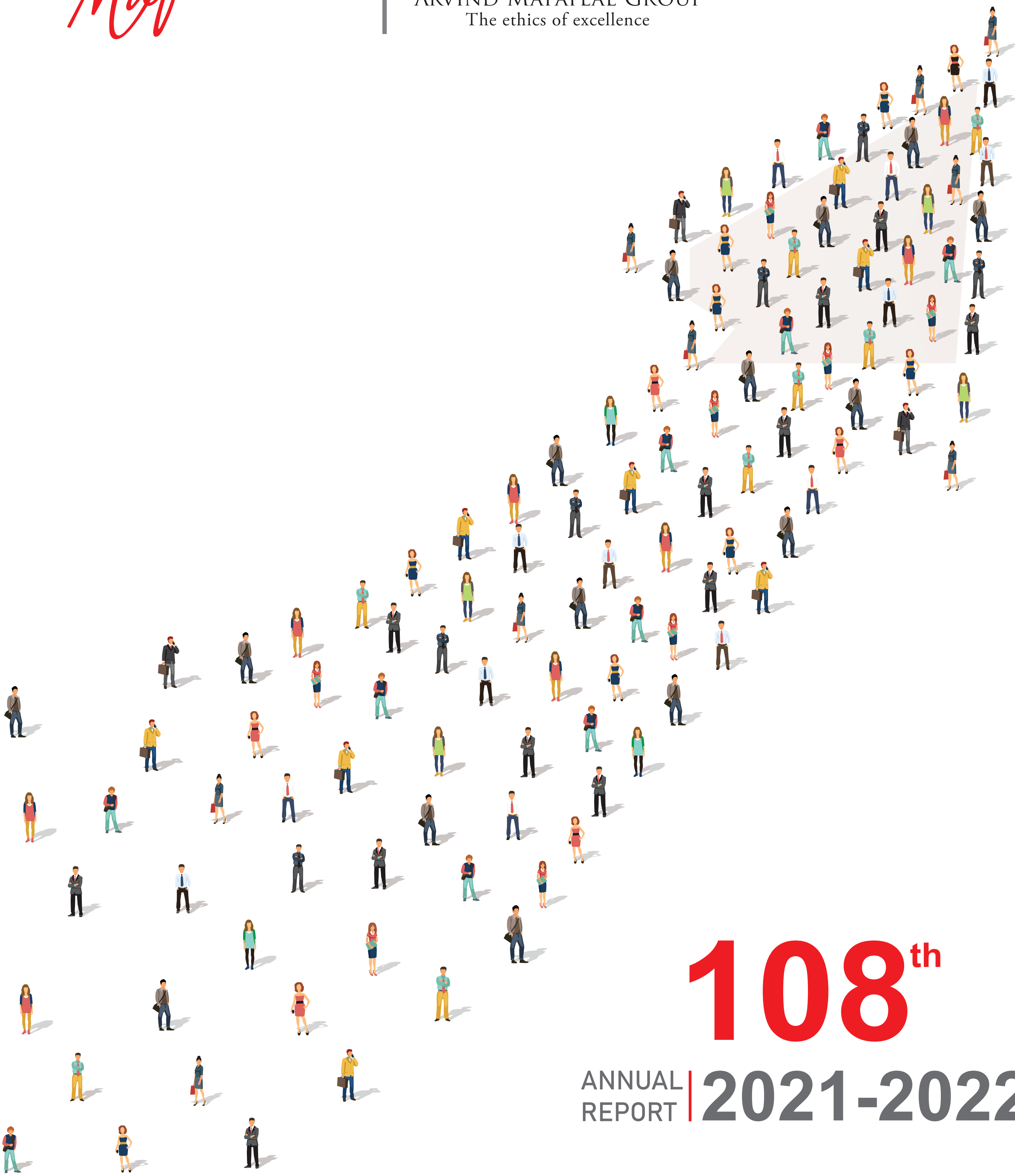
Encl.: as above

SINCE 1905

Mafatlal®

ARVIND MAFATLAL GROUP

The ethics of excellence



108th

ANNUAL REPORT | 2021-2022

MAFATLAL INDUSTRIES LIMITED

Caution/Forward-looking statements

This Annual Report (containing all the reports and information) may contain forward looking information to enable the investors to comprehend our prospects and take informed investment decisions. This report and other statements- written as well as the oral- that we periodically make, contain forward-looking statements that sets out anticipated results based on the management's plans and assumptions. We have tried, wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', hopefully, optimistic, likely, projects, intends', 'plans', believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risk or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

The Ministry of Corporate Affairs ('MCA') has taken a "Go Green Initiative in the Corporate Governance" by allowing paperless compliances by companies. The applicable provisions of Companies Act, 2013 read with rules made thereunder permits circulation of Annual Report to shareholders through electronic mode as per the records of the Company/ Registrar and Share Transfer Agent or as provided by the Depositories.

In this regard, we seek your whole-hearted support for this initiative. We would request you to register your e-mail Id with your Depository Participant, to get Annual Reports and other communications through e-mail instead of paper mode.

Contents

Corporate Information

MAFATLAL INDUSTRIES LIMITED
(CIN: L17110GJ1913PLC000035)

Board of Directors

Mr. H. A. Mafatlal	(DIN:00009872)	Executive Chairman
Mr. V. R. Gupte	(DIN:00011330)	Independent Director
Mr. P. N. Kapadia	(DIN:00078673)	Independent Director
Mr. A. K. Srivastava	(DIN:00046776)	Independent Director
Mrs. L. P. Pradhan	(DIN:07118801)	Independent Women Director
Mr. G. G. Chakravarti	(DIN:00004399)	Independent Director
Mr. S. A. Shah	(DIN:00058019)	Independent Director
Mr. P. H. Mafatlal	(DIN:02433237)	Managing Director (CEO till 31/3/2022)

Audit Committee

Mr. V. R. Gupte	Chairman
Mr. S. A. Shah	Member
Mrs. L. P. Pradhan	Member
Mr. G. G. Chakravarti	Member

Stakeholders Relationship Committee

Mr. A. K. Srivastava	Chairman
Mr. H. A. Mafatlal	Member
Mr. P. N. Kapadia	Member

Nomination and Remuneration Committee

Mr. P. N. Kapadia	Chairman
Mr. V. R. Gupte	Member
Mr. G. G. Chakravarti	Member

Corporate Social Responsibility Committee

Mr. H. A. Mafatlal	Chairman
Mr. A. K. Srivastava	Member
Mr. S. A. Shah	Member

Chief Executive Officer
Mr. P. H. Mafatlal
(Till 31/03/2022)

Mr. M. B. Raghunath
(w.e.f. 01/04/2022)

Chief Financial Officer
Mr. M. P. Shah

Company Secretary
Mr. A. A. Karanji (Till 31/03/2022)
Mr. Amish Shah (w.e.f. 01/04/2022)

Auditors
M/s. Price Waterhouse Chartered Accountants LLP

Solicitors
Vigil Juris, Mumbai

Registered Office
301-302, Heritage Horizon, 3rd Floor, Off: C G Road,
Navrangpura, Ahmedabad - 380009.
Email: ahmedabad@mafatlals.com; Website: www.mafatlals.com
Tel: 079 - 26444404-06 Fax: 079 – 26444403

Corporate Office
Mafatlal House, 5th Floor, H.T. Parekh Marg, Backbay Reclamation,
Mumbai – 400020, Maharashtra, India
Telephone: +91-22-6617 3636, Fax No: +91-22-6635 7633

Unit / Plant
Nadiad : Kapadvanj Road, Nadiad-387 001
Navsari : Vejalpor Road, Navsari [No manufacturing operations for last 3 years]

Registrar & Share Transfer Agents
KFin Technologies Ltd.
Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, Hyderabad - 500 032,
Telangana, India Tel: 040 6716 2222; Fax: 040 2342 0814
E-mail: einward.ris@kfintech.com; website: www.kfintech.com

Investor Relations Centre
KFin Technologies Ltd.

(1) Ahmedabad Office
Office No. 401 on 4th Floor, ABC-I, Off. C.G. Road, Ahmedabad 380009. Contact No.: 9081903021/9081903022 email id: ahmedabadmfd@kfintech.com

(2) Mumbai Office
24B, Rajabahadur Compound, Ambalal Doshi Marg, Behind BES Buliding, Fort, Mumbai 400 001. Tel. 022-66235353 Fax- 022-66335192.

Notes

1. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by SEBI. Demat Code of Mafatlal Industries Limited ISIN: INE270B01027.
2. The Shares of the Company are listed on BSE Ltd. and the Listing Fee for the Exchange have been paid by the Company for the year 2022-23.
3. Shareholders are requested to notify change in address, if any, immediately to the Registrar & Share Transfer Agent at the above address mentioning their Folio Numbers along with valid proof of their new address.
4. Shareholders are requested to download their copy of the Annual Report from the Company's website www.mafatlals.com under "Investors" Section, which is available for download by shareholders.
5. Shareholder who wants to speak at the AGM are required to get themselves registered by following the instructions provided therefor.
6. Shareholder can express their views and submit questions/ queries in advance from their registered e-mail address, mentioning their name, DPID and Client ID number/folio number and mobile number at the Company's investor desk at ahmedabad@mafatlals.com at least 10 (Ten) days before the date of the Meeting so that the information required may be made available at the Meeting.
7. Dividend for the FY 2014-15 in eligible to transfer in the Investor Education and Protection Fund (IEPF) Account. Shareholders are requested to claim unpaid and unclaim dividend before the transfer it to IEPF account.
8. Instructions for E-Voting, attending the Annual General Meeting through Video Conferencing (VC/OAVM), and other instructions, are posted on Company's website www.mafatlals.com and also provided at the end of this Annual Report. The same is also sent to concerned shareholders whose email id is registered with us.

Please note E-Voting Timing & 108th AGM:

Commencement of remote E-Voting	From 9.00 a.m. on Wednesday 27th July, 2022
End of remote E-Voting	Till 5.00 p.m. on Friday 29th July, 2022
108th Annual General Meeting (AGM)	**On Saturday, 30th July, 2022 at 12.00 noon through Video Conferencing (VC/OAVM)**
Book Closer	Saturday 23rd July, 2022 to Saturday 30th July, 2022
Cut-off date	Saturday, 23rd July, 2022.
Voting at AGM:	At the AGM – digital voting will be allowed to shareholders who have not voted in remote E-Voting as per permitted norms.
Declaration of Voting Result:	Voting Result will be announced within 48 Hours of conclusion the 108th AGM. (Voting Results will be posted on Company's & BSE website).

NOTICE

NOTICE is hereby given that the 108th Annual General Meeting of the Company will be held on **Saturday, 30th July, 2022 at 12.00 noon** through video conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated, both) for the financial year ended 31st March, 2022 together with report of the Board of Directors & Auditors thereon.

2. To appoint a Director in place of Mr. Priyavrata H. Mafatlal (DIN 02433237) who retires by rotation and being eligible, offers himself for re-appointment.

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

   "RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016) be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 108th Annual General Meeting till the conclusion of the 113th Annual General Meeting to be held in the year 2027 on such remuneration, apart from reimbursement of out of pocket expenses as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

SPECIAL BUSINESS:

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

   "RESOLVED THAT in accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies:-

a) The payment of remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) per annum plus taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit to M/s. B. Desai & Co., Cost Auditor, (Firm Registration Number 005431), who was appointed by the Board of Directors as the Cost Auditor of the Company, based on recommendations of Audit Committee in the casual vacancy caused by the demise of Mr. Bhalchandra C. Desai, Cost Accountant for conducting the audit of Cost Accounting Records relating to the products 'Textiles' manufactured and traded by the Company for the financial year ended 31st March, 2022."

b) The payment of remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) per annum plus taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit to M/s. B. Desai & Co., Cost Auditor, (Firm Registration Number 005431), who was appointed by the Board of Directors as the Cost Auditor of the Company, based on recommendations of Audit Committee to conduct the audit of Cost Accounting Records relating to the products 'Textiles' manufactured and traded by the Company for the financial year ended 31st March, 2023."

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

   "RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 25 Crores (Rupees Twenty Five Crore only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this resolution and to make, sign and execute, on behalf of the Company, such deed, documents, agreements, undertakings and all other necessary papers as may be required; to accept modifications to the same as may be necessary and to do all such acts, deeds and things that may be required or considered necessary or incidental for the same;

RESOLVED FURTHER THAT the any one Director or Company Secretary of the Company be and is hereby authorized to fill necessary forms with the Registrar of Companies, to make necessary entries in the Statutory Registers of the Company and to do all such acts/ deeds/ things as may deem fit to give effect to this resolution."

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

Amish P. Shah
Company Secretary
(ACS :20622)

Place: Ahmedabad
Dated: 28th May, 2022

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

NOTES

1. Considering the present COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide its circular dated April 8, 2020 read together with circulars dated April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as 'MCA Circulars') permitted convening the Annual General Meeting ('AGM' / 'Meeting') through Video Conferencing ("VC") or Other Audio Visual Means ('OAVM'), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the circulars issued by Bombay Stock Exchange (BSE), the AGM of the Company will be held through VC / OAVM. Generally, a member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and that the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members will not be available for the AGM and hence the Proxy Forms and Attendance Slips are not annexed hereto.
2. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of **Item Nos. 3 to 5** mentioned in the above Notice, is annexed hereto, which forms a part of this Notice.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, 23rd July, 2022 to Saturday, 30th July**, **2022 (both days inclusive) for the purpose of the annual closing and Annual General Meeting.**
4. The annual report, inter alia, containing the AGM Notice and other disclosures, will be posted on the Company's website at www.mafatlals.com under 'Investors' Section (available for free download and review from the website). The Notice of the AGM forms part of the Annual Report 2021-22 and is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/DP in conformity with the MCA and SEBI circulars. Those members, who wish to receive a paper copy of the Annual Report, may write to us on our email: ahmedabad@mafatlals.com. The Annual General Meeting shall be through video conferencing/other audio visual means. However, for the purpose of record /jurisdiction, the deemed place of the Meeting shall be the Registered Office of the Company at 301 – 302 Heritage Horizon, 3rd Floor, Off: C G Road, Navrangpura, Ahmedabad - 380009.
5. As required under the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions, E-Voting facility is being provided to the Members. Details of the E-Voting process and other relevant details are being sent to the Members along with the Notice and also provided at the end of this Annual Report.
6. Members are requested to note that pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, **all equity shares of the Company on which dividend for the year 2014-15 (declared on 101st AGM) has not been paid or claimed for 7 consecutive years or more, shall be required to be transferred by the Company, along with the said dividend, to Investor Education and Protection Fund on or after 19th September, 2022.** The details of the Members, who have not encashed their dividend warrants for the earlier years and whose shares are liable to be transferred to the IEPF Authority if they do not encash their dividend prior to said date, are put on the Company's website www.mafatlals.com under the 'investors" Section. Hence, Members who have not encashed their dividend warrants for the earlier year/s are advised to write to the Company and Company's Registrar & Share Transfer Agent - KFin Technologies Ltd. immediately claiming their dividends declared by the Company.
7. Pursuant to the Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with applicable Secretarial Standards issued by ICSI, the requisite information inter alia containing the remuneration paid to the Director seeking **appointment / re- appointment is a part of the Explanatory Statement annexed hereto and marked as Annexure I** to this notice.
8. Route map and prominent land mark for easy location of venue of the AGM is not provided in the Annual Report since Annual General Meeting is to be held through VC/OAVM.

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

10. It may be noted that the Company will provide the Shareholders' Cloth Discount Coupon to those members who request for the same. Shareholders may communicate on the Company's email address of ahmedabad@mafatlals.com or at the Registered Office.

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

12. Members holding shares in the physical form are advised to communicate the particulars of their bank account, change of postal address and email ids to our RTA i.e. KFin Technologies Limited (Unit: Mafatlal Industries Limited), Plot No. 31-32, Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or the Secretarial Department of the Company.

13. The Company fixed Saturday, 23rd July, 2022 as the cut-off date for determining the eligibility of Members entitled to vote at the AGM. The remote e-voting shall remain open for three days commencing from Wednesday, 27th July, 2022 at 9.00 a.m. to Friday, 29th July 2022 5.00 p.m., (both days inclusive).

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

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

16. Members are requested to note that as per Section 124(6) of the Act, read with IEPF Rules as amended, all the shares in respect of which dividend remained unpaid/unclaimed for seven consecutive years or more, are required to be transferred to the demat account of the IEPF Authority. Consequently, the Company transferred eligible equity shares during the financial year 2020-21 to the demat account of the IEPF Authority. Members are entitled to claim the same from IEPF by submitting an application in the prescribed online web-based Form IEPF-5 available on www.iepf.gov.in and sending a physical copy of the same, duly signed, to the Nodal Officer of the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

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

18. CS Umesh Ved, Umesh Ved and Associates, Company Secretaries, has been appointed as the scrutinizer to scrutinize the remote, e-voting, process before/ during the AGM in a fair and transparent manner.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 3:

To re-appoint M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the 103rd Annual General Meeting ('AGM') held on 2nd August, 2017 for a period of five years, up to the conclusion of 108th AGM. M/s. Price Waterhouse Chartered Accountants LLP are eligible for re-appointment for a further period of five years. M/s. Price Waterhouse Chartered Accountants LLP have given their consent for their re-appointment as Statutory Auditors of the Company and issued a certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Price Waterhouse Chartered Accountants LLP confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.

As confirmed to Audit Committee and stated in their report on financial statements, the Auditors reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to the audit. Based on the recommendations of the Audit Committee and the Board of Directors, it is proposed to re-appoint M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, having (Firm Registration No. 012754N/N500016), as the Statutory Auditors of the Company for the second and final term of five consecutive years, holding office from the conclusion of this 108th AGM till the conclusion of the 113th AGM of the Company.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are mentioned in Corporate Governance Report.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 4 :

In accordance with the provisions of Section 148(2) and 148 (3) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 along with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. The Board of Directors of the Company, on the recommendation of the Audit Committee, had appointed Mr. Bhalchandra C. Desai, Cost Accountant as the Cost Auditor, to conduct the audit of cost the Company for the financial year ending 31st March, 2022 on a remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) plus taxes and levies as applicable and out of pocket expenses, which was subsequently ratified by the shareholders in the 107th Annual General Meeting of the Company held on 30th July, 2021. Due to the sudden death of Mr. Bhalchandra C. Desai, the Board of Directors, on the recommendation of the Audit Committee, on 29th March, 2022, appointed M/s. B. Desai & Co., Cost Accountant, to fill the casual vacancy for a remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty-Seven Thousand Five Hundred only) and other terms and conditions as agreed thereupon.

The resolution, as a modification of the resolution of the shareholders passed at the 107th Annual General Meeting, seeks the approval of the members for payment of remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) plus taxes and reimbursement of out-of-pocket expenses to M/s. B. Desai & Co., Cost Auditor, towards the conduct of a cost audit of the Company for the financial year ended 31st March, 2022.

Further, the Board of Directors, on the recommendation of the Audit Committee, on 28th May, 2022, also appointed M/s. B. Desai & Co., Cost Accountants to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2023 on the remuneration of Rs.4,37,500 (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) plus all applicable taxes and reimbursement of expenses to him. The resolution seeks the approval of the shareholders for payment of said remuneration in terms of Section 148 and other applicable provisions of the Companies Act 2013, and the rules made thereunder.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Item No. 5 :

The Company has been making investments in, giving loans, inter-corporate deposits and guarantees to various persons and bodies corporate from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly,

(a) give any loan to any person or other body corporate;

(b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and

(c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition of securities of any body corporate as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required.

Accordingly, consent of the Members is sought for making investments in the securities of other bodies corporates, which includes investment in shares of co-operative banks, financial institutions as per the terms of sanction of various credit facilities to the Company, give loans, guarantees and provide securities for any loan facility to be availed by the other Companies not exceeding Rs. 25 crores (Rupees Twenty Five Crores only).

The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the Members by way of a Special Resolution.

None of the Directors or key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company, if any.

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

Amish P. Shah
Company Secretary
(ACS :20622)

Place: Ahmedabad
Dated: 28th May, 2022

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

Annexure II to Notice

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and applicable secretarial standards issued by ICSI:

Name of the Director & Brief Resume / Educational qualification	Nature of Expertise in specific functional area	Disclosure of relationship with other Directors, Managers and Key Managerial Personnel or the Promoters of the Company	Names of the Listed Entities in which the person holds the directorship and membership of the committees of the Board.	Shareholding of Director in the Company	No. of Board Meetings held and attended during 2021-2022
Mr. Priyavrata H. Mafatlal (35 years) (DIN 02433237) He has done his Masters of Commerce from Mumbai University after completing Bachelor's in Management Studies (with a specialization in Marketing). He attended 3 tier Management Programmes at IIM Ahmedabad and also done Fashion Business Courses from Istituto Marangoni, London (UK). He was appointed as Executive Director of the Company for a period of five years from 1st November 2016. He was Chief Executive Officer (CEO) of the Company with effect from 1st April, 2019 till 31st March, 2022. His current designation is Managing Director of the Company. He is looking after all day-to-day functions of the Company.	He is an industrialist possessing a diversified experience of more than 14 years in the areas of textiles and other businesses.	He is related to (son of) Mr. Hrishikesh A. Mafatlal, Executive Chairman of the Company.	Managing Director - Mafatlal Industries Limited. Chief Executive Officer- Mafatlal Industries Limited (till 31st March,022). Non- Executive Director in NOCIL Limited **Membership of the Committees of the Board of:** Mafatlal Industries Limited: – Member of Share Transfer Committee NOCIL Limited: – Member of Share Transfer Committee	He holds 5,60,991 equity shares of the Company of Rs. 10/- each	9/8 Board meetings.

Remuneration paid to the Director/s seeking appointment/re-appointment:

Mr. Priyavrata H Mafatlal, Managing Director, has been paid a remuneration of Rs. 126.92 lacs for the year 2021-22. Further details of the remuneration are provided in the Annexure to Directors' Report as a part of statutory disclosures.

By Order of the Board
Mafatlal Industries Limited

Amish P. Shah
Company Secretary
(ACS :20622)

Place: Ahmedabad
Dated:28th May, 2022

Summarised Financial Data

₹ in Lakhs

Particulars	2012 - 13	2013 - 14	2014 - 15
	1	2	3
PROFIT & LOSS ACCOUNT			
Total Income	84,038.13	93,549.12	104,469.00
Profit before Depreciation, Interest, Exceptional Items and Tax	8,999.05	4,610.45	5,018.17
Exceptional Items	697.74	736.77	898.63
Finance costs	(3,199.92)	(1,489.45)	(1,684.05)
Depreciation, Amortisation and Impairment	(1,444.05)	(1,834.60)	(1,671.14)
Profit before Tax	5,052.82	2,023.17	2,561.61
Profit after Tax	3,715.93	2,393.38	2,437.49
Dividend (Rs.per share)	+ 5	3	3
Earning per share (EPS) Rs	26.71	17.20	17.52
BALANCE SHEET			
Net Fixed Assets	15,648.04	17,273.65	20,091.35
Investments	4,871.58	4,865.37	4,788.97
Current Assets (Net)*	24,293.87	23,154.29	25,157.03
Miscelleanous Exps not W/Off	-	-	-
Total Application	44,813.49	45,293.31	50,037.35
Borrowings	8,997.04	10,571.81	13,492.29
Net Worth:			
Share Capital	4,391.22	1,391.22	1,391.22
Reserves	31,425.23	33,330.28	35,153.84
	35,816.45	34,721.50	36,545.06
Total Sources	44,813.49	45,293.31	50,037.35
Book value per Equity Share (Rs)	257.43	249.56	262.67
(Face value - Rs.10 per Share)			
Debt/ Equity Ratio	0.25	0.30	0.37
Operating EBIDTA (%)	11%	5%	5%
Profit After Tax (%)	4%	3%	2%
Return on Net Worth (%)	10%	7%	7%
Return on Capital Employed	18%	8%	8%

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

+ Including a Special Centenary Dividend of Rs. 2/- per Equity Share.

Figures are stated as per the Annual Report of 2020 - 2021.

₹ in Lakhs

2015 - 16	2016 - 17	2017 - 18	2018 - 19	2019 -20	2020 -21	2021 - 22
					#	#
4	5	6	7	8	9	10
134,465.93	128,068.39	120,049.63	105,457.89	106,212.31	63,784.20	105,148.72
6,119.18	5,503.97	2,524.30	(3,030.72)	4,984.52	(1,112.32)	7,667.43
-	(869.94)	-	(8,361.80)	(1,459.18)	(4,083.38)	(1,016.72)
(2,116.12)	(2,620.14)	(3,108.54)	(3,018.86)	(3,143.29)	(2,210.27)	(1,859.39)
(2,119.18)	(2,705.59)	(3,610.59)	(3,595.66)	(1,717.98)	(1,705.06)	(1,567.07)
1,883.88	(691.70)	(4,194.82)	(18,007.04)	(1,335.93)	(9,111.03)	3,224.25
1,712.38	(214.53)	(4,177.82)	(18,007.04)	(1,370.80)	(9,375.42)	2,929.11
3	3	-	-	-	-	-
12.31	(1.54)	(30.03)	(129.43)	(9.85)	(67.38)	20.93
22,256.58	29,717.02	30,194.49	13,572.35	13,567.92	11,188.13	9,417.16
4,794.09	6,221.29	50,188.18	37,408.65	16,868.30	44,473.38	63,371.01
33,129.64	25,996.16	22,817.54	20,415.15	12,994.29	5,379.05	7,008.68
-	-	-	-	-	-	-
60,180.31	61,934.47	103,200.21	71,396.15	43,430.51	61,040.56	79,796.85
22,425.23	24,393.92	23,359.75	20,697.16	14,974.62	14,377.53	11,202.25
1,391.22	1,391.22	1,391.22	1,391.22	1,391.22	1,392.37	1,407.07
36,363.86	36,149.33	78,449.24	49,307.76	27,064.67	45,270.66	67,187.53
37,755.08	37,540.55	79,840.46	50,698.98	28,455.89	46,663.03	68,594.60
60,180.31	61,934.47	103,200.21	71,396.14	43,430.51	61,040.56	79,796.85
271.37	269.83	573.86	364.40	204.53	335.12	487.48
0.59	0.65	0.29	0.41	0.53	0.31	0.16
5%	4%	2%	-3%	5%	-2%	7%
1%	-0.2%	-3.5%	-17.1%	-1.3%	-14.7%	2.8%
5%	-1%	-5%	-36%	-5%	-20%	4%
7%	3%	-1%	-21%	4%	-11%	6%

Directors' Report

To

The Members,

Mafatlal Industries Limited

Your Directors present the 108th Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March 2022.

FINANCIAL RESULTS

The financial results of the Company are as under:

Rs. in Lakhs

Particulars	Current Year 2021-22	Previous Year 2020-21
Revenue from operations	98,711.93	60,219.49
Other Income	6,436.79	3,564.71
Total Income / revenues	**1,05,148.72**	**63,784.20**
EBIDTA	**7,667.43**	**(1,112.32)**
Depreciation	1,567.07	1,705.06
Finance costs	1,859.39	2,210.27
Profit (Loss) before Exceptional Items (write off/provisions/impairment losses)	**4,240.97**	**(5,027.65)**
Exceptional items (net)	(1,016.72)	(4,083.38)
Profit (Loss) before taxes	**3,224.25**	**(9,111.03)**
Tax (Expense) / benefits	(295.14)	(264.39)
Profit (Loss) after taxes	**2,929.11**	**(9,375.42)**

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

The financial year 2021-22 was one of the most encouraging in the recent past. The pandemic-induced challenges of Financial Year 2020-21 were followed by a demand surge in India's textile sector. A part of the surge was on account of 'revenge' buying, indicating a release of pent-up consumer demand and a part of the surge was on account of a restructuring of the global textile sector supply chain away from China. The result of this restructuring was that India emerged as the principal beneficiary on account of its extensive textile value chain, organized manufacturing sector and responsiveness.

The outcome of this contextual landscape is that your Company benefited significantly during the year under review. The Company reinforced this market-facing advantage with strategic cost control that had been initiated during the previous financial year. These initiatives comprised a prudent rationalisation in the Company's permanent work force through a Voluntary Retirement Scheme. This facilitated the evolution of the company towards an asset-light model, marked by lower people overheads and liabilities .

Following a creditable performance , the Company capitalised on market demand and generated an increase in market share. The result is that the company delivered appreciable sales growth and improved operating performance for the financial year under review.

During the financial year under review, the Company reported Total Income of Rs. 1,05,148.72 Lakhs, EBITDA (Earnings before Interest, Depreciation, Tax & Amortisation) of Rs. 7,667.43 Lakhs and a Net Profit of Rs. 2,929.11 Lakhs (including an Exceptional Loss of Rs. 1,016.72 Lakhs). The Company reported a 64% increase in Total Income, about 789% growth in EBITDA and about 131% in Net Profit aided by improved operational performance and by continued non-core asset monetization initiatives.

During the Financial Year 2020-21, the Company entered into a Memorandum of Understanding with the workers' union at the Nadiad manufacturing unit to rationalise the size of the permanent workforce through a fair and equitable Voluntary Retirement Scheme (VRS). Under this scheme, your Company recognised Rs. 114.30 Lakhs as compensation payable as an Exceptional Item that was expensed from the Profit & Loss Account in FY 2021-22.

The Company also carried out a COVID-19 impact assessment on its liquidity, recoverability and carrying asset value during the financial year under review. Based on such an assessment, your Company recognised an impairment loss of Rs. 902.42 Lakhs as an Exceptional Item.

During the financial year under review, your Company sought to strengthen its business and capitalize on the opportunities presented by a pandemic-affected world. The Company undertook a series of initiatives to strengthen the effectiveness of its manufacturing operations; it improved the inventory turnaround time and widened its marketing cum distribution network. The Company encountered a steep increase in the raw material prices of commodities like polyester by about 25%, cotton by almost 40%, coal by almost 50% and specialty chemicals by about 10%-15%, which was partially off-set by increase in selling prices.

(The requisite disclosures on COVID under Regulation 30 of SEBI LODR has already been given which is also available on the Company's website at www.mafatlals.com under "Investors" section)

While the Covid-19 pandemic continues to impact the broad economic outlook, the availability of vaccinations and enhanced preparedness have combined to make the business outlook more hopeful compared to the financial year 2020-21. The Directors of your Company are of the view that while the short-term outlook continues to be stable, the medium to long-term outlook appears optimistic on account of enhanced disposable incomes, higher consumer aspirations, increased social media influence and lower price-sensitivity among consumers.

A further analysis of the financial results of the Company is provided in the Management Discussion and Analysis Report, which forms a part of this report.

BORROWINGS, LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, your Company repaid long-term borrowings amounting to Rs. 2454.68 Lakhs. Your Company expresses gratitude to all the banks and financial institutions for having stood by the Company for its growth financing requirements. Company has not granted any loan, given any guarantee or made any investments as referred to in Section 186 of the Companies Act, 2013.

CREDIT RATING

During the financial year under review, Acuite Rating & Research Limited assigned the credit rating 'ACUITE BBB-'with Stable Outlook for long-term facilities with a tenure of more than one year and 'ACUITE BBB-' /'ACUITE A3' for short-term facilities with a tenure of up to one year.

During the financial year under review, Credit Analysis & Research Limited (CARE) assigned a credit rating of 'CARE BB+' with a Positive Outlook for long-term facilities with a tenure of more than one year and 'CARE BB+; Positive' /'CARE A4+' for short-term facilities with a tenure of up to one year.

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

DIVIDEND

In view of the losses incurred from the financial year 2016-17 to financial year 2020-21and also recognizing the need to conserve cash to address working capital needs, the Board of Directors of your Company did not recommend any dividend for the year under review.

UNCLAIMED DIVIDEND

Pursuant to the applicable provisions of the Companies Act, 2013 ('the Act') read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the IEPF Rules'), during the year, unpaid or unclaimed dividend amounting to Rs. 6,01,437 was transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Government of India.

Further, a total of 1,24,683 shares was transferred to the demat account of the IEPF, in accordance with IEPF Rules, as the dividend was not paid or claimed by the shareholders for seven years. Details of the shares and dividend transferred to the IEPF account is available on the website of the Company at www.mafatlals.com.

SHARE CAPITAL

During the financial year 2021-22, your Company made an allotment of 1,47,000 equity shares of Rs. 10/- each at an issue (exercise) price of Rs. 78.65 per share under the Mafatlal Employee Stock Option Scheme – 2017. Accordingly the subscribed and paid-up equity share capital of the Company increased from Rs.1,392.37 lakhs to Rs.1,407.13 lakhs comprising 1,40,71,386 equity shares of Rs 10/- each.

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

DIRECTORS RETIRING BY ROTATION

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

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

INDEPENDENT DIRECTORS AND THEIR MEETING

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

The Independent Directors met on 28th March, 2022, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company took into account the views of Executive Directors and Non-Executive Directors; it assessed the quality, quantity and timeliness of information flow between the Company's management and the Board necessary for the Board to effectively perform their duties.

BOARD EVALUATION

Pursuant to the provisions of Section 134 (3) of the Companies Act, 2013 and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors evaluated the performance of Non-Independent Directors and Chairperson of the Company after considering the views of the Executive and Non-Executive Directors, the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

The Nomination and Remuneration Committee evaluated the performance of every Director . The Board of Directors adopted a formal mechanism for the evaluation of its performance as well as that of its committees and Individual Directors, including the Chairman of the Board.

The Independent Directors were regularly updated on the industry and market trends, plant processes and the operational performance of the Company through presentations .

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 134 (5) of the Companies Act, 2013, your Directors state that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations relating to material departures, if any, have been given.

(ii) The Directors have selected such accounting policies, applied them consistently and made judgements or estimates reasonable and prudent to provide a fair view of the state of the Company's affairs at the end of the financial year, and of the loss of the Company for the period under review.

(iii) The Directors have taken proper and sufficient care 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.

(iv) The Directors have prepared the annual accounts on a 'going concern' basis.

(v) The Directors have laid down financial controls to be followed by the Company and that such financial controls are adequate and operating effectively.

(vi) The Directors have devised systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CHANGE IN KEY MANAGERIAL PERSONNEL

During the financial year under review, Mr. Ashish Karanji, Company Secretary and Compliance Officer resigned. In his place, Mr. Amish Shah was appointed as Company Secretary and Compliance Officer with effect from 1st April 2022.

Mr. Raghunath, President & Business Head was appointed as Chief Executive Officer (CEO) with effect from 1st April 2022. Mr. Priyavrata H. Mafatlal, who was performing the twin duties of Managing Director and Chief Executive Officer (CEO) of the Company till 31st March 2022, is continuing as Managing Director after the appointment of Mr. Raghunath as CEO of the Company.

EMPLOYEE STOCK OPTION SCHEME, 2017 AND THE CHANGES IN CAPITAL

The shareholders of the Company at 103rd Annual General Meeting held on 2nd August 2017, consented to the creation of 6,95,000 Employee Stock Option pool under the Mafatlal Employee Stock Option Plan, 2017 by way of a Special Resolution. The Board of Directors, as per the recommendation of the Nomination and Remuneration Committee (NRC), approved Mafatlal Employees Stock Option Plan 2017. The NRC granted 4,56,000 equity shares options in two tranches to certain senior management employees. NRC made a third option grant on 27th May, 2022 to certain executives aggregating 3,20,000 equity shares at Rs. 181 each share.

As on 31st March 2022, 38,000 options remained outstanding out of the first grant and 57,500 options remained outstanding from the second grant. During the financial year ended March 31, 2022, 10,000 options lapsed due to resignations of grantees (employees) (corresponding number of options lapsed as of March 2021 and March 2020 were 1,26,000 options and nil options respectively) and stood forfeited. These options were cumulated back into the Option Pool and are available for grants.

Eleven of the option grantees (employees) exercised 1,47,000 options vested to them under the second grant. Accordingly, the Company has on 29th July, 2021, 1st November, 2021 and 14th February, 2022 allotted 1,47,000 equity shares of Rs.10/- each at an exercise price of Rs. 78.65. There has been no exercise of vested options as of date other than stated above.

Pursuant to the aforesaid exercise of options and allotment of 1,47,000 equity shares, the subscribed and paid-up equity share capital of the Company changed from Rs. 1,392.37 lakhs to Rs. 1407.07 lakhs consisting of 1,39,24,386 equity shares of Rs.10/- each to 1,40,71,386 equity shares of Rs.10/- each and the share premium account was credited with a share premium of Rs. 163.45 lakhs.

The detailed information on capital and reserves are provided in the attached audited accounts of the Company.

The further disclosures, as required under SEBI Employee Share Based Benefits Regulations, 2016, and other applicable provisions, are provided in **ANNEXURE- D** to this report with other disclosures.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

The audited accounts of Vrata Tech Solutions Private Limited and Mafatlal Services Limited, subsidiaries of the Company, for the financial year ended 31st March 2022, have been placed on the Company's website www.mafatlals.com and also open for inspection by any member at the Registered Office of the Company on all working days (Monday-Friday) during the working hours between 3.00 pm to 5.00 pm. The Company will make available these documents on request by any member of the Company who may be interested in obtaining the same.

During the financial year under review, vide passing a Special Resolution by the shareholders at the Extra Ordinary General Meeting held on 18th January, 2022, Vrata Tech Solutions Private Limited issued 128,572 equity shares of Rs.10/- each at a premium of Rs. 72.66 to Shrija Trust – a promoter family trust on a preferential basis thereby diluting your company's equity investment by 20% of the issued equity share capital.

As reported earlier, Al Fahim Mafatlal Textiles LLC (UAE) remained non-operational and since there was no foreseeable beneficial future, the Board of Directors of the Company and the joint venture partner decided for a voluntary winding-up/closure of that entity. The Company wrote to the Ministry of Commerce, Department of Economic Development, Dubai, that there was no operation of the said joint venture company from 2016. Accordingly, we have not applied for a renewal of license to continue to operate the business there. The audited accounts of that JV company are not consolidated with the Accounts of the Company from the FY 2018-19 onwards.

The statement containing salient features of the financial statement of subsidiary companies (Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) is further annexed as part of the Notes forming a part of the Consolidated Financial Statement as **FORM AOC-1.**

DEPOSITS

The Company does not have 'Deposits' as contemplated under Chapter V of the Companies Act, 2013. Further, the Company has not invited or accepted any such deposit during the financial year ended 31st March, 2022.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company for the financial year ended 31st March 2022 to the date of the signing of the Directors' Report.

INTERNAL FINANCIAL CONTROL (IFC)

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

INDUSTRIAL RELATIONS

The relations between the employees and the management remained cordial and harmonious during the financial year under review. There were 948 (998 in the previous financial year) permanent employees on the payroll of the Company as on 31st March 2022.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Mafatlal Industries Ltd., a part of the Arvind Mafatlal Group, has been fulfilling its corporate social responsibilities for more than 50 years, much before CSR had been statutorily prescribed. Our work in this domain has focused on poverty alleviation, health care, education for young children and women's uplift across rural India. In conformity with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company comprises a CSR Committee, which comprises Mr. Hrishikesh A. Mafatlal, who is the Chairman of the said Committee, Mr. Atul Kumar Srivastava and Mr. Sujal Shah, both are Independent Directors.

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

As per the provisions of Section 135, read with the Section 198 of the Companies Act, 2013, due to the losses incurred by the Company over the years, there was no CSR obligation 2021-22. Accordingly, there were no meetings of the CSR Committee during the year. The statutory disclosures with respect to CSR is annexed hereto, as a **Annexure-E**, which is forming a part of this report.

RELATED PARTY TRANSACTIONS

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

The details of all transactions with the related parties are disclosed in Notes, forming a part of the financial statements, annexed to the financial statements for 2021-22 and annexed as a part of this report in **AOC- 2**, as an **Annexure-A.**

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT, CORPORATE GOVERNANCE REPORT AND EXTRACT OF ANNUAL RETURN

As required under Schedule V (B) and (C) of the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis Report as well as Corporate Governance Report, are attached herewith and marked as **Annexure I & II** respectively and the same form a part of this Directors' Report. The extract of the Annual Return is prepared in Form **MGT-9** and available at www.mafatlals.com

OTHER STATUTORY DISCLOSURES

(a) NUMBER OF BOARD MEETINGS

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

(b) COMMITTEES OF BOARD

Details of the various committees constituted by the Board of Directors, as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, are provided in the Corporate Governance Report and forms a part of this report.

(c) VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

(d) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

(e) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans or guarantees or investments given/ made by the Company under Section 186 of the Companies Act, 2013 during the financial year ended 31st March, 2022.

(f) ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2022 is available on the website of the Company at www.mafatlals.com

(g) DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the said Act, read with other applicable provisions. Internal Complaints Committees are constituted and regularly redress complaints, if any. During the financial year under review, no complaint was received in respect of Sexual Harassment from any employee of the Company and necessary disclosure for the same has been given to the concerned government departments for respective locations.

(h) INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

(i) SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) and such systems were adequate and operating effectively.

(j) RISK EVALUATION AND MANAGEMENT

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

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

(k) POLICIES

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

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

AUDITORS

I. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s. Price Waterhouse Chartered Accountants LLP (Firm registration No.012754N/N500016) were appointed as statutory auditors of the Company for a period of five years by the members of the Company at 103rd Annual General Meeting (AGM) to hold office from the conclusion of the 103rd AGM till the conclusion of the 108th AGM.

M/s. Price Waterhouse Chartered Accountants LLP, are eligible to be re-appointed for a second term of five years, in terms of provisions of Sections 139 and 141 of the Companies Act, 2013. Accordingly, the Board of Directors of the Company at their meeting held on 28th May 2022 on the recommendation of the Audit Committee and subject to the approval of the Shareholders of the Company at the ensuing AGM, approved the re-appointment of M/s. Price Waterhouse Chartered Accountants LLP, (Firm registration No.012754N/N500016) as Statutory Auditors of the Company for a second term of five years i.e. from the conclusion of the 108th AGM till the conclusion of the 113th AGM to be held in 2027.

The Company received written consent and a certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act and Rules issued thereunder from M/s. Price Waterhouse Chartered Accountants LLP. They confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under listing regulations.

M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, (Firm registration No.012754N/N500016) issued Auditors Report for the Financial Year ended 31st March 2022 and there are no qualifications in Auditors Report.

II. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, Mr. Umesh Ved, Company Secretary in practice, was appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2021-22 is annexed, which forms a part of this report, as **Annexure – III.** There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

III. COST AUDITOR

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, maintenance of cost records for Company's "Textiles" products is required and accordingly such accounts and records are made and maintained by the Company.

The Directors wish to inform that consequent to sudden demise of Mr. Bhalchandra C. Desai, who was appointed as Cost Auditor to audit the cost records of the Company for the financial year 2021-22, the Board of Directors, on the recommendation of the Audit Committee on 28th March, 2022, appointed M/s. B. Desai & Co., Cost Accountants, (Firm Registration Number 005431), to fill the casual vacancy on a remuneration of Rs.4,37,500/- (Rupees Four Lacs Thirty Seven Thousand Five Hundred only) per annum plus reimbursement of out-of-pocket expenses. M/s. B. Desai & Co., Cost Auditor, being eligible, consented to act as the Cost Auditor of the Company for the financial year ended 2021-22. The resolution, as a modification of the resolution of the members passed at the 107th AGM, is being placed before the members in a General Meeting for the ratification of remuneration to be paid to M/s. B. Desai & Co., Cost Auditor, towards the conduct of an audit of cost records of the Company for the financial year ended 2021-22 at Item No. 4 of the Notice convening the 108th AGM.

Further, the Board of Directors, on the recommendation of the Audit Committee, on 28th May 2022 also appointed M/s. B. Desai & Co., a firm of Cost Accountants as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2022-23 M/s. B. Desai & Co., being eligible, has consented to act as the Cost Auditor of the Company for 2022-23 and also confirmed his independent status and an arm's length relationship with the Company. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors must be ratified by the members. Accordingly, necessary resolutions were included at Item No. 4 of the Notice convening the 108th AGM.

IV. INTERNAL AUDITOR

M/s. Aneja Associates, a reputed firm of Chartered Accountants, are the Internal Auditors of the Company. The Audit Committee of the Board of Directors, in consultation with the Internal Auditors, formulated the scope, functioning, periodicity and methodology for conducting the internal audit.

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

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

PARTICULARS OF EMPLOYEES

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

APPRECIATION

The Directors wish to place on record their appreciation of the devoted services of the workers, staff and the officers for their continued contribution to your Company. The Directors also express appreciation to the Company's customers, business associates, banks, government departments, agencies, service providers, suppliers and other stakeholders for standing by the Company during these challenging times.

For and on behalf of the Board,

HRISHIKESH A. MAFATLAL
Chairman
(DIN: 00009872)

Place: Mumbai
Date:28th May, 2022

Annexure-A

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Disclosure of the Related Party Transactions of Mafatlal Industries Limited for the financial year ended 31st March, 2022

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

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

1 Details of material contracts or arrangements or transactions at arm's length basis for the financial year ended 31st March, 2022

(Rs. In Lakhs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions/salient terms	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	NOCIL Ltd	Rendering of services (as per omnibus approval granted by Audit Committee and approved by the Board)	Continuing arrangement towards recovery of utility and/or service charges cost /fees apportionment	7.05	26.05.2021	Nil
2	Mafatlal Services Limited	Receiving of services (as per omnibus approval granted by Audit Committee and approved by the Board)	Continuing arrangement towards payment of utility and/or service charges cost /fees apportionment	9.61	26.05.2021	Nil
3	Vrata Tech Solutions Private Limited	Receiving of services (as per the omnibus approval granted by the Audit Committee and approved by the Board)	Arrangements comparable with other unrelated party.	148.81	26.05.2021	Nil
4	Sumil Trading Private Limited (formerly known as Sumil Holdings Private Limited)	Sale of Goods	Arrangements comparable with other unrelated party.	60.68	26.05.2021	Nil
5	Sumil Trading Private Limited (formerly known as Sumil Holdings Private Limited)	Purchase of Goods on credit	Prices charged to MIL shall be market price plus 2.5% margin with long credit of at least 90 days. In case MIL needs further credit, Sumil may extend by charging interest @12% p.a.	1301.11	26.05.2021	Nil
6	Intensive Clothing Care Unit	License and recovery of utilities fees	License and utilities fees charged should not be less than the cost of MIL charged to unrelated parties.	2.72	26.05.2021	Nil
7	Vrata Tech Solutions Private Limited	Reimbursement of expenses	Arrangement towards reimbursement on actual basis.	3.93	26.05.2021	Nil
8	MAF Technologies Private Limited	Reimbursement of expenses	Arrangement towards reimbursement on actual basis.	Nil	26.05.2021	Nil
9	Sumil Trading Private Limited (formerly known as Sumil Holdings Private Limited)	License Fees under Leave & License Agreement with prior approval of Audit Committee & Board	Arrangement towards leave & license fees for 2 years at Company's premises in Mumbai.	2.65	26.05.2021	Nil
10	Gayatri Pestichem Mfg. Pvt Ltd	License Fees under Leave & License Agreement	Arrangement towards leave & license fees for 2 years at Company's premises in Ahmedabad.	0.13	26.05.2021	Nil
11	Vrata Tech Solutions Private Limited	License Fees under Leave & License Agreement	Arrangement towards leave & license fees for 2 years at Company's premises in Mumbai and Ahmedabad	1.84	26.05.2021	Nil
12	Sumil Trading Private Limited	Availing of services – car uses	Arrangement towards the payment of car rent	9.0	26.05.2021	Nil
13	NOCIL	Dividend	Dividend received against investment in shares	505.18	26.05.2021	Nil

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

Statements pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2022.

Annexure-B

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

i. CONSERVATION OF ENERGY

A) ENERGY CONSERVATION MEASURES TAKEN:

- The Company adopted and implemented a regular maintenance schedule to reduce energy consumption.
- Adopted the practice of lowering the machine run during downtime to conserve energy.
- Replaced the conventional copper/ electronics ballast fixtures at various locations with LED lights/ high bay fixtures to reduce electricity consumption.
- Engineering teams at the plant conducted continuous energy audits and ensured proper maintenance and management of steam trap, which reduced the wastage of thermal energy.
- Installed 12 TPH process boiler to reduce a dependence on the larger capacity boiler, which resulted in a lower consumption of coal and fuel.
- Installed variable frequency drives on the boiler feed pump to reduce power consumption.

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

i) Investments proposals for 2022-23

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

II) IMPACT OF THE MEASURES AT (A) & (B) ABOVE FOR REDUCTION OF THE ENERGY CONSUMPTION AND CONSEQUENT IMPACT ON THE COST OF PRODUCTION OF GOODS.

Total energy cost has been reduced from Rs.12.01 / Meter of previous year to Rs. 11.25 / Meter in current year.

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

Particulars	**2021-22**	**2020-21**
1. Electricity		
a. Purchased units KWH in Lakh	106.92	42.23
b. Total amount (Rs. in Lakh)	1101.48	603.67
c. Rate/unit (Rs./KWH)	10.30	14.30
2. Coal & Lignite		
a) Quantity (in MT)	35.65	20.57
b) Total cost (Rs in Lakh)	2438.00	795.92
c) Cost/MT	6839.74	3869.72

d) CONSUMPTION PER UNIT OF PRODUCTION

Particulars	**2021-22**	**2020-21**
Electricity (KWH)	0.46	0.30
Coal and lignite (Kg)	1.52	1.46

ii. TECHNOLOGY ABSORPTION

A) INFORMATION REGARDING TECHNOLOGY IMPORTED DURING LAST 3 YEARS:

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

B) EXPENDITURE ON R&D

Details	**Current year 2021-22 (Rs. in Lakhs)**	**Previous year 2020-21 (Rs. in Lakhs)**
(a) Capital expenditure	-	-
(b) Recurring expenditure	76.48	48.37
Total	**76.48**	**48.37**
(a) Total R&D expenditure as a % of total turnover	**0.07**	**0.08**

iii. **FOREIGN EXCHANGE EARNING AND OUTGO:**

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

The efforts are on to expand reach into the markets like Middle East, Europe, Africa, US and other Countries.

(B) Total foreign exchange used and earned:

	Current year 2021-22 (Rs. in Lakhs)	Previous year 2020-21 (Rs. In Lakhs)
Total foreign exchange used	20.44	70.21
Total foreign exchange earned	3710.12	3,930.30

For and on behalf of the Board,

HRISHIKESH A. MAFATLAL
Chairman
(DIN: 00009872)

Place: Mumbai
Date:28th May, 2022

Annexure-C

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

I. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

Sr. No.	Directors	Remuneration (Rs. In Lakhs)	Median Remuneration (Rs. In Lakhs)	Ratio *
1	Mr. Hrishikesh A. Mafatlal - Executive Chairman	Nil	4.79	NA
2	Mr. Atul K. Srivastava	7.70	4.79	1.61
3	Mr. Vilas R. Gupte	11.90	4.79	2.48
4	Mr. Pradip N. Kapadia	11.20	4.79	2.34
5	Mrs. Latika P. Pradhan	11.20	4.79	2.34
6	Mr. Gautam G. Chakravarti	12.60	4.79	2.63
7	Mr. Sujal A. Shah	10.50	4.79	2.19
8	Mr. Priyavrata H. Mafatlal, MD & CEO $	126.92	4.79	26.50

*The ratio is considered comparing median remuneration of all employees (MC & NMC) with the remuneration paid to Directors.

Mr. Hrishikesh A. Mafatlal, Executive Chairman has voluntarily waived his remuneration for the year 2021-22.

$ CEO till 31st March, 2022.

- The Non-Executive Directors were only paid sitting fees for attending Meetings of the Board and Committees thereof for the year 2021-22 at the rate Rs. 70,000/- per Meeting and allowance as per Company policy.
- The Company has considered the management cadre employees and non-management cadre staff employees' remuneration while calculating the median concept and accordingly provided the details.

I. Percentage increase in remuneration of each Director, CEO, CFO and CS in the financial year 2021-22:	The remuneration increase given to the MD & CEO was 85%, There is no increase in remuneration of other KMPs, Executives or Non-Executive Directors. However, the cut in remuneration which was affected in financial year 2020-21 on account of Covid 19 pandemic was restored during financial year 2021-22.
II. Percentage increase in median remuneration of employees in the financial year:	3% (0% in previous year)
III. The number of permanent employees on the rolls of the Company	948 (998 last year)
IV. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	Average increase in the salaries of employees is 0% (0% in previous year). There is no exceptional increase in the managerial remuneration.
V. The key parameters for any variable component of remuneration availed by the directors:	None
VI. Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration is as per the remuneration policy of the Company.

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

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

(in Lakhs)

#	Name & Designation	Remuneration Received in Rs. (Lakhs)	Nature of employment	Qualification	Experience (In Years)	Date of Joining	Age	Last employment held before the joining of the Company	% Equity Share held	Relative of any of Director
1	Mr. Raghunath M. B., President & Business Head(MSD), CEO w.e.f. 1/4/2022	207.62	Employee	Bachelor's Degree in Physics, MBA-Mktg from NMMIS-Mumbai,	More than 36 years	01.04.1995	57 Years	Berger Paints	30000 (0.21%)	No

#	Name & Designation	Remuneration Received in Rs. (Lakhs)	Nature of employment	Qualification	Experience (In Years)	Date of Joining	Age	Last employment held before the joining of the Company	% Equity Share held	Relative of any of Director
2	Mr. Milan Shah, Chief Financial Officer (CFO)	203.19	Employee	B. Com, CA, CS	More than 37 Years	17.09.2015	63 Years	Arvind Limited	25000 (0.18%)	**No**
3	Mr. Priyavrata H. Mafatlal, MD & CEO till 31/3/2022	126.92	Managing Director & CEO	M.Com, 3 tire Management Programmes at IIM, Ahmedabad, Fashion Business Courses, London, (UK)	More than 14 Years	01.11.2016	35 Years	N.. A.	5,60,991 (3.99%)	Yes Son of Mr. H A Mafatlal, Chairman & Executive Director

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

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

- Remuneration includes salary, allowances, perquisites, contribution to PF, Superannuation fund, leave encashment and retirement benefits including of gratuity etc. in case of employees who have resigned/ retired.)

D. Details of Top Ten employees in terms of remuneration drawn as on 31.03.2022 will be made available for inspection at the registered office of the Company. Any member interested in obtaining such particulars may write to Company Secretary of the Company.

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

Annexure-D

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

Disclosures by the Board of Directors

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

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

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

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

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

C. Details related to ESOP

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

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

Particulars	First Grant	Second Grant
Date of the option granted by Nomination and Remuneration Committee (NRC)	10th November, 2017	1st August, 2019
No. of Equity shares Granted	1,38,000	3,18,000
Exercise price of each share	Rs. 322.70	Rs. 78.65
Option have lapsed on account of resignation of the employees.	1,00,000	1,02,000
Balance shares are available under the Mafatlal ESOP-2017 4,41,000		

The other disclosures are as follows:

a.	Date of shareholders' approval (Members in 103rd AGM)	2nd August, 2017.
b.	Total number of options approved under ESOS:	6,95,000 Equity Shares.
c.	Vesting requirements:	The first grant, 2017 of options was approved with progressive vesting of 15%, 20%,30% & 35% on every anniversary of the vesting. The second grant, 2019, the vesting would be 100% on completion of first anniversary of the grant.
d.	Exercise price or pricing formula :	The first grant, 2017: Rs.322.70 The second grant, 2019: Rs. 78.65
e.	Maximum term of options granted:	5 years (1 year vesting & 4 years exercise period).
f.	Source of shares (primary, secondary or combination):	Primary.
g.	Variation in terms of options	None.
II	Method used to account for ESOS – Intrinsic or fair value:	Fair Value

III Option movement during the financial year 2021-22 (For Each ESOP):

Number of options granted (includes options unvested) and outstanding at the beginning of the period	2,52,500
Number of options granted during the financial year	0
Number of options lapsed/forfeited during the financial year (due to resignations)	10,000
Number of options exercisable during the financial year	2,42,500
Number of options vested during the financial year	2,42,500
Number of options exercised during the financial year	1,47,000
Number of shares arising as a result of exercise of options	1,47,000
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Rs. 1,15,61,550
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the financial year (includes options unvested)	95,500
Number of options exercisable at the end of the financial year	95,500

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

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

(iv) Employee wise details of options granted during FY 2021-22: NIL

a. Senior Management (name & number of options granted) :

1.	Mr. M B Raghunath	44,000
2.	Mr. Milan Shah	44,000
3.	Mr. Dilip Dhabe	30,000
4.	Mr. Ashok Ramdham	30,000
5.	Mr. Gaurav Gupta	20,000
6.	Mr. Vatsal Sheth	12,000
7.	Mr. Nandkumar Gajeria	12,000
8.	Mr. Rajesh Shrimankar	12,000
9.	Mr. Sailesh Nair	12,000
10.	Mr. Ashish Karanji	12,000
11.	Mr. Shibin Chulliparambil	12,000
12.	Mr. Anish Pimputkar	8,000
13.	Ms. Smita Jhanwar	8,000
14.	Mrs. Monica Rathod	8,000

c. Any other employee who receives a grant in any one year of option amounting to 5% or more of the option granted during that year.

None

d. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant:

None

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

The further details are provided in the note no. 38 under Notes to Accounts standalone financial statement.

This entire information is also available on the website of the Company at as a part of this 108th Annual Report.

For and on behalf of the Board,

HRISHIKESH A. MAFATLAL
Chairman
(DIN: 00009872)

Place: Mumbai
Date:28th May, 2022

Annexure-E

CSR REPORT FOR THE FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company

The Company framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. The CSR Policy, inter-alia, covers the concept (CSR philosophy, activities undertaken by the group, scope and applicability, resources, identification and approval process, implementation and monitoring etc.) and the same is available on the web link www.mafatlals.com.

2. Composition of CSR Committee

The CSR Committee of the Board of Directors consists of three Directors viz. Mr. Hrishikesh A. Mafatlal (Chairman), Mr. Sujal A. Shah and Mr. Atul K. Srivastava (other Members), both Independent Directors of the Company. The composition of the Committee conforms to the statutory requirement.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the financial year	Number of meetings of CSR Committee attended during the Financial Year
1	Mr. Hrishikesh A Mafatlal	Chairman (Promoter-Executive)	None since there is no CSR Obligation for the year 2021-22	N.A.
2	Mr. Sujal Shah	Independent Director	-do-	N.A.
3	Mr. Atul K Srivastava	Independent Director	-do-	N.A.

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

The Composition of CSR Committee is as above while there is no CSR Obligation for the year 2021-22 and accordingly no CSR projects were approved by the Board/CSR Committee. The details of CSR Policy weblink is already provided in para 1 above.

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 : **NOT APPLICABLE**

6. Average net profit of the company as per Section 135(5).

(a) Two percent of average net profit of the company as per section 135(5):

(Amt. Rs. In Lacs)

Financial Year	*Net Profit for the purpose of CSR Obligation
2020-21	(9,375.42)
2019-20	(11,370.80)
2018-19	(18,007.04)
A. Total Net Profit for three financial years (A)	(38,753.26)
B. Average Net Profit (A/3)	(12,917.75)
C. 2% of average Net Profits (to be NIL/NA spent on CSR) in financial year 2021 – 22	**-NIL-**

*Net Profit is calculated as per the provisions of Section 198 read with Section 135 of the Companies Act, 2013 ('Net Profit as per Rule 2(f) of Companies (CSR Policy) Rules, 2014 excluding dividends from Companies to which CSR provisions are applicable and they are complying with the CSR requirements).

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NOT APPLICABLE**

(c) Amount required to be set off for the financial year, if any: **NOT APPLICABLE**

(d) Total CSR obligation for the financial year (7a+7b- 7c).: **NIL**

7. (a) CSR amount spent or unspent for the financial year: **NOT APPLICABLE**

(b) Details of CSR amount spent against ongoing projects for the financial year: **NIL / NOT APPLICABLE**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

NIL/ NOT APPLICABLE

(d) Amount spent in administrative overheads: **NIL/ NOT APPLICABLE**

(e) Amount spent on impact assessment, if applicable: **NIL/ NOT APPLICABLE**

(f) Total amount spent for the financial year (8b+8c+8d+8e): **NIL/ NOT APPLICABLE**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL
(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

8. (a) Details of Unspent CSR amount for the preceding three financial years:

NIL / NOT APPLICABLE. SINCE THERE HAS BEEN NO CSR OBLIGATION FOR THE COMPANY DURING LAST 3 FINANCIAL YEARS.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL / NOT APPLICABLE.**

9. 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: **NIL / NOT APPLICABLE**

10. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per section 135(5). **NOT APPLICABLE.**

This is to certify that the implementation and monitoring of CSR Policy is in compliance with the CSR Objectives as well as the Policy of the Company.

For **Mafatlal Industries Limited.**

Hrishikesh A. Mafatlal
Chairman of CSR Committee
(DIN 00009872)

For **Mafatlal Industries Limited**

Priyavrata H. Mafatlal
Managing Director
(DIN 02433237)

Place: Mumbai
Date: 28th May, 2022.

Regd. Office:
Mafatlal Industries Limited
(CIN L17110GJ1913PLC000035)
301-302, Heritage Horizon, 3rd Floor, Off: C G Road,
Navrangpura, Ahmedabad 380009.
Tel: 079 – 26444404/06 Fax: 079 26444403,
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Annexure I to Directors' Report
Management Discussion and Analysis

1. Overview of the economy

The Indian economy encountered a challenging start in FY 2021-22 following the emergence of the Delta Virus during the first quarter. These challenges started subsiding following widespread vaccination, accelerated credit growth and a surge in textile demand.

Following an ease in restrictions, India reported an estimated GDP growth of 8.9% during the financial year 2021-22 compared to negative (-) 6.6% during the previous financial year.

As per IMF estimates, aggregate global economic growth is expected to record a sharp rise of 3.6% in 2022. Advanced economies are projected to grow 3.3%, with major economies like United States, Euro Area, United Kingdom and Japan poised for a rebound. Emerging market and developing economies are estimated to grow 6.7%. As per IMF forecasts, India could emerge as the fastest growing economy in FY 2021-2 with a growth of 8.2%.

While the Indian economy is recovering, a declining external environment, higher commodity prices and supply bottlenecks pose headwinds leading to higher inflation. This could result in liquidity curbs by central governments leading to higher capital costs.

2. Overview of the textile sector

The Indian textile sector reported double-digit growth on account of the lockdown-led home confinement, US-China trade war and withdrawal from China by manufacturers from developed economies. Though demand was impacted during the first quarter on account of the second pandemic wave , an improvement in the hospitality segment, new export incentive policy by Government of India and India's market share gain (following China +1 theme) strengthened the textile sector performance and prospects.

The growing demand for Indian cotton, cotton yarn and made-ups led to an increase in capacity utilisation. The index of Industrial Production for Textile witnessed a growth of 30% during FY21-22 compared to a negative 21.3% during the previous financial year.

3. COVID 19 business response

The Company continued to monitor the COVID-19 pandemic on its businesses. The priorities comprised a competent management of liquidity, customer service and enhanced sales volume. The Company worked on strategic steps during the previous financial year to conserve cash and limit fixed cost.

4. Overview of the company's performance

The Company operates in the textile segment, marked by a combination of manufacturing and outsourcing. The business environment was buoyant in FY 2021-22. Following a waning of the pandemic and relaxation in COVID-led restrictions, demand surge across the portfolio helped the Company regain sales lost in the wake of the pandemic outbreak in the previous year .

In continuation of strategic steps of the previous financial year, more permanent workmen opted for the Voluntary Retirement Scheme during the first quarter of the year leading to a sustained reduction in fixed costs. During the year, the Company resumed its spinning and weaving operations at the Nadiad unit. This helped the Company to absorb fixed costs and mitigate the impact of increased yarn costs .

Though School Uniform sales remained sluggish during the period, other textile categories like corporate / healthcare uniform, home furnishing and traditional textile along with technical textile categories (sanitary napkin and diapers) delivered double-digit growth.

In the face of higher inflation in commodities like cotton, polyester and coal, margins were under pressure. However, with a gradual increase in realisations , the Company could partially reduce the negative impact on its margins.

The Company continued to leverage its asset-light approach, strengthening its presence in the healthcare and personal hygiene spaces to address the B2B and B2C segments.

i. Performance review

Total revenue increased 65% to ₹ 1,05,148.72 Lakhs; earnings before interest & depreciation (EBIDTA) turned positive at ₹ 7667.44 from a negative ₹ 1112.32 Lakhs in the previous financial year.

ii. Table of financials

Particulars	For the year ended on			
	March 31, 2022		March 31, 2021	
	Amount	% of Revenue	Amount	% of Revenue
Revenue from operations	98,712	94%	60,219	94%
Other income	6,437	6%	3,565	6%
Total revenue	1,05,149	100%	63,784	100%

Particulars	For the year ended on			
	March 31, 2022		March 31, 2021	
	Amount	% of Revenue	Amount	% of Revenue
Cost of material consumed	17,551	17%	7,632	12%
Purchase of stock-in-trade	66,068	63%	38,187	60%
Changes in inventory of finished goods, work-in-progress & stock-in-trade	(4,392)	(4%)	6,950	11%
Employee benefit expenses	4,153.43	4%	4,902	8%
Other expenses	14,100.93	14%	7,226	11%
Total expenses	97,481	93%	64,897	102%
EBIDTA	7,667	7%	(1,112)	(2%)
Finance cost	1,859	2%	2,210	3%
Depreciation & amortization	1,567	1%	1,705	3%
Profit/ (Loss) Before exceptional items & tax	4,241	4%	(5,028)	(8%)
Exceptional Items	(1,017)	(1%)	(4,083)	(6%)
Profit/ (Loss) before tax	3,224	3%	(9,111)	(14%)
Net tax expenses	(295)	0%	(264)	0%
Profit / (loss) for the year	2,929	3%	(9,375)	(15%)

Revenue from operations and Other Income

Total revenue of the Company increased 64% over the previous financial year. Other Income (Interest Income, Net Gain on Foreign Currency Transactions and Other Non-Operating income from the sale of non-core assets) increased 81% compared to the previous year.

Debt

The Company repaid ₹ 2454.68 Lakhs in long-term debt , primarily in the form of rupee-term loans, in line with its repayment schedule. Net short-term borrowings decreased by ₹ 1174.56 Lakhs. During the year under review, the Company availed fresh long-term borrowings of ₹ 29.65 Lakhs. Borrowings were maintained to provide working capital support to the Company in its core business.

Finance costs

The finance cost for FY21-22 was ₹ 1859.39 Lakhs as against ₹ 2210.27 Lakhs for FY 20-21. The reduction in finance costs was primarily on account of timely debt repayment . Finance cost as a percentage of total revenue remained almost unchanged following an increase in revenue.

Depreciation

Depreciation in absolute terms decreased to ₹ 1567.07 Lakhs compared to Rs. 1705.06 Lakhs in FY 2020-21. As a percentage to Total Revenue, Depreciation declined to 1% from 3% in FY 2021-22.

Exceptional item

During the year under review, the Company carried out an assessment for the impact of COVID-19 on its liquidity, recoverability and carrying value of assets. Based on this assessment, the Company recognised an impairment loss of ₹ 902.42 Lakhs under exceptional items. The Company recognised an amount of ₹114.30 Lakhs, the ex-gratia compensation payable to those employees who opted for retirement under the Voluntary Retirement Scheme launched during the year, as an exceptional item.

Changes in key financial ratios and reasons

The key financial ratios during the year under review went through changes compared to FY 2020-21 following an improvement in the operating performance. All profitability ratios like EBIDITA margin (turned positive 7% in the last financial year from a negative 2% in the previous financial year), Net Profit Margin (turned positive 3% in the last financial year from a negative 15% in the previous financial year) & Return on net worth (turned positive 4% in the last financial year from a negative 20% in the previous financial year) were positively impacted in view of profits earned during the financial year under review. Since sales and collections from debtors were regular, there was an improvement in the debtors' turnover (4.2 for FY 2021-22 as against 2.6 for FY 2020-21), inventory turnover (20.5 for FY 2021-22 as against 9.2 for FY 2020-21) and Current Ratio (1 for FY 2021-22 as against 0.9 for FY 2020-21). Debt Equity Ratio improved to 0.2 for FY 2021-22 from 0.3 for FY 2020-21 on account of a repayment of significant debt during the year under review.

Human resources and safety

During the year under review, consequent to the Voluntary Retirement Scheme launched during the previous financial year, the Company reduced its permanent work force during the first quarter.

The Company emphasised a performance-driven culture where talent and merit were suitably rewarded. The Company continued the measures to build a safe workplace . The total number of permanent employees as on 31st March 2022 was 948 (previous year: 998).

iii. Overview of product portfolio & operating performance

The Company focused on the domestic market, consumer textiles and hygiene segment. In the consumer textiles portfolio, the Company remained a prominent player in polyester–cotton (PC) segment. The Company operated in the export segment and is a major Voile exporter to the Middle East. While the performance of the Company during Q1 of FY2021-22 was adversely impacted due to the second pandemic wave , a performance turnaround during rest of the financial year proved encouraging.

In the PC segment, the Company addressed demand arising out of rural and Tier III/II population clusters. In this PC segment, the Company maintained a leading position in white fabric space. In the Home Furnishing, Healthcare and E-Commerce segments, an increase in consumer spending and change in consumption patterns strengthened sales, the Company focused on expanding the B2B and B2C sales network .

The Company focused on expanding reach in its hygiene business. During the year, the Company launched new product categories within the diaper and sanitary napkin segments, promoted through the social media. Government tenders related to textiles and allied products supply helped the Company report double-digit revenue growth.

iv. Outlook

The Company expects the turnaround to sustain , accompanied by a reduction in fixed costs derived from outsourcing , cash conservation and non-core asset monetisation. However the Company continues to closely monitor impending problems due to factors like inflation, and geopolitical risks, which could affect the business. The health and safety of employees, customers, suppliers and communities remain a priority. The Company is optimistic for revenue and margins growth in the medium term, strengthening business sustainability .

Annexure II to Directors' Report
CORPORATE GOVERNANCE REPORT

This Corporate Governance Report for the year ended 31st March, 2022 forms a part of the Directors' Report and the same has been prepared on the basis of the provisions of Clause C of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. A brief statement on the listed entity's Philosophy on Code of Governance

The system of Code of Governance, especially through the Audit Committee, was followed by the Company for years, even before any such requirement has been legislated.

The Company's philosophy on Code of Governance is intended to bring about:

- Transparency, accountability and integrity
- Implementation of policies and procedures prescribed by the Company to ensure high ethical standards across business activities for responsible and responsive management.

2. Board of Directors

The Board of Directors consisted of eight Directors at the end of the year 31st March, 2022. The Board comprised two Executive Promoter Directors and six Non-Executive Independent Directors including one woman Director. The Board of Directors is headed by Mr. Hrishikesh A. Mafatlal who is the Chairman (Executive Chairman) of the Company. The composition of the Board is in conformity with the applicable provisions of the Companies Act 2013, read with the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended as on 31st March, 2022. Further details are as follows:

Sr. No.	Names of Directors	Category	Board Meetings held	Board Meetings attended	Attendance at the last AGM held on 30.07.2021	# No. of Directorship in Public Companies as on 31.03.2022	$No. of Committee Membership / Chairmanship in other Companies at the year end	
							Member	Chairman
1.	Mr. Hrishikesh A. Mafatlal Executive Chairman	Promoter- Executive	9	8	Yes	3	1	0
2.	Mr. Atul K. Srivastava	Non-Executive Independent	9	9	Yes	3	1	0
3.	Mr. Vilas R. Gupte	Non-Executive Independent	9	9	Yes	2	2	0
4.	Mr. Pradip N. Kapadia	Non-Executive Independent	9	9	Yes	6	6	2
5.	Mrs. Latika P. Pradhan	Non-Executive Independent	9	9	Yes	4	1	2
6.	Mr. Gautam G. Chakravarti	Non-Executive Independent	9	9	Yes	2	0	0
7.	Mr. Sujal A. Shah	Non-Executive Independent	9	9	Yes	10	5	3
8.	*Mr. Priyavrata. H. Mafatlal Managing Director & Chief Executive Officer (CEO).	Promoter Executive	9	8	Yes	2	0	0

Excludes Directorship held in Private Limited Companies, Foreign Companies and Section 8 Companies [Including Mafatlal Industries Limited].

$ Only Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies (excluding Mafatlal Industries Limited) are considered.

* Mr. Priyavrata. H. Mafatlal, performed duty as CEO till 31.03.2022, he continues his role of Managing Director.

Sr. No.	Names of Directors	Names of the Listed Entity (excluding Mafatlal Industries Limited) in which a person is a Director and category of Directorship
1.	Mr. Hrishikesh A. Mafatlal	Promoter Director (Executive Chairman) of NOCIL Limited
2.	Mr. Atul K. Srivastava	Non-Executive Independent Director of Navin Fluorine International Limited
3.	Mr. Vilas R. Gupte	Non-Executive Non-Independent Director of NOCIL Limited
4.	Mr. Pradip N. Kapadia	Non-Executive Independent Director of: 1) Gokak Textiles Limited 2) Navin Fluorine International Limited

Sr. No.	Names of Directors	Names of the Listed Entity (excluding Mafatlal Industries Limited) in which a person is a Director and category of Directorship
5.	Mrs. Latika P. Pradhan	Non-Executive Independent Director of Teamlease Services Limited
6.	Mr. Gautam G. Chakravarti	NIL
7.	Mr. Sujal A. Shah	Non-Executive Independent Director of: 1) Amal Limited 2) Hindoostan Mills Limited 3) Amrit Corp. Limited 4) Ironwood Education Limited 5) Deepak Fertilisers & Petrochemicals Corporation Limited 6) Navin Fluorine International Limited, with effect from 07.05.2021.
8.	Mr. Priyavrata. H. Mafatlal	Promoter Non-Executive Director of NOCIL Limited

Number of Meetings of the Board of Directors and dates of meetings held

During the year under review viz., 1st April, 2021 to 31st March, 2022, total nine meetings of the Board of Directors of the Company were held on the following dates viz., 26th May, 2021, 10th June, 2021, 16th June, 2021, 27th July, 2021, 1st November, 2021, 13th January, 2022, 14th February, 2022, 09th March, 2022 and 29th March, 2022 and all the Directors remained present for all the said meetings except Mr. H. A. Mafatlal and Mr. P. H. Mafatlal for the meeting held on 16th June 2021 for which requested leave of absence was granted as requested.

The Company has observed the applicable provisions of the Companies Act, 2013, read with Secretarial Standard and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors' Meeting

Pursuant to provisions of Schedule IV to the Companies Act, 2013, during the year under review, one Meeting of Independent Directors was held on 28th March, 2022.

Mr. Vilas R Gupte was unanimously elected as Chairman of the said Meeting. All the Independent Directors remained present at the Meeting wherein the Independent Directors reviewed the performance of the Non-Independent Directors (including Chairperson) and the Board as a whole and assessed the quality, quantity and timeliness of the flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Disclosure of Relationships between Directors inter-se

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

Details of shareholding of Non-Executive Directors

Names of the Director	Number of Equity Shares of Rs. 10 each held as at 31st March, 2022
Mr. Atul K. Srivastava	Nil
Mr. Vilas R. Gupte	Nil
Mr. Pradip N. Kapadia	138
Mrs. Latika P. Pradhan	Nil
Mr. Gautam G. Chakravarti	Nil
Mr. Sujal A. Shah	Nil

The Company does not have any other security issued.

The Details of the familiarization programme imparted to Independent Directors is disclosed on the Company's website at www.mafatlals.com.

Skills, Expertise & Competence of the Board of Directors

The Board of Directors of the Company comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its Committees. The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its Members possess: 1. Commercial 2. Finance including Audit, Accounts, Taxation, 3. Sales and Marketing 4. Science and Technology including IT 5. Domain industry 6. General management and human resources 7. Legal & advisory.

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

Director	Educational Qualification	Corporate experience in diverse fields (years)	Skills/Expertise/competencies
Mr. Atul K. Srivastava	B.Sc. (Hons) Physics, FCA	45	Commercial, Finance including Audit, Accounts, Taxation
Mr. Vilas R. Gupte	B.Com, CA	54	Commercial, Finance including Audit, Accounts, Taxation, General Management
Mr. Pradip N. Kapadia	B.A., LLB	48	Legal & Advisory
Mrs. Latika P. Pradhan	ACA, AICWA, ACS & LLB	41	Commercial, Finance including Audit, Accounts, Taxation
Mr. Gautam G. Chakravarti	Degree in Physics, Master's in Economics, Post Graduate Program in Management from IIM, Ahmedabad	46	Commercial, General Management and Domain Industry
Mr. Sujal A. Shah	B. Com, FCA	31	Commercial, Finance including Audit, Accounts, Taxation, Valuation
Mr. Hrishikesh A Mafatlal	Graduation in Commerce with Honors from Sydenham College and Advance Management Programme (AMP) at Harvard Business School, USA	45	Commercial, Finance, General Management, Domain Industry, Sales & Marketing, Science & Technology
Mr. Priyavrata H Mafatlal	M.Com, 3 tier Management Programme at IIM, Ahmedabad and Fashion Business Course from London (UK)	14	Commercial, Finance, General Management, Domain Industry, Sales & Marketing, Science & Technology

The Independent Directors of the Company, in the opinion of the Board, fulfil the conditions of independence as specified in the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and that the Independent Directors are independent of the management of the Company.

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

3. Audit Committee

The Terms of Reference of the Audit Committee is as mentioned in the provisions of Section 177 of the Companies Act, 2013 read with Part- C of Schedule II and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The composition of the Committee is also in conformity with the said provisions.

The Audit Committee of the Board of Directors of the Company consists of four Directors viz. Mr. Vilas. R. Gupte, Mrs. Latika P. Pradhan, Mr. Sujal A. Shah and Mr. Gautam G. Chakravarti. All members of the Audit Committee are Non-Executive Independent Directors. Mr. Vilas R. Gupte, a Chartered Accountant, is the Chairman of the Audit Committee. Mr. Ashish A. Karanji, Company Secretary of the Company acted as Secretary to the Committee (till 31st March, 2022).

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

Sr. No.	Dates on which the Meetings of the Audit Committee were held during the year 2021-22	Mr. Vilas R. Gupte	Mrs. Latika P. Pradhan	Mr. Sujal A. Shah	Mr. Gautam G. Chakravarti
1	26th May, 2021	Yes	Yes	Yes	Yes
2	29th July, 2021	Yes	Yes	Yes	Yes
3	1st November, 2021	Yes	Yes	Yes	Yes
4	13th January, 2022	Yes	Yes	Yes	Yes
5	14th February, 2022	Yes	Yes	Yes	Yes
6	29th March, 2022	Yes	Yes	Yes	Yes

Yes - Attended, No - Not Attended

4. Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee is as mentioned in the provisions of Section 178 of the Companies Act, 2013, read with Part D (A) of Schedule II and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition of the Committee was in conformity with the said provisions.

The Nomination and Remuneration Committee of the Board of Directors of the Company consisted of three Directors viz. Mr. Pradip N. Kapadia, Mr. Vilas R. Gupte, and Mr. Gautam G. Chakravarti. All of them were Non-Executive Independent Directors of the Company. Mr. Pradip N. Kapadia is the Chairman of the Committee. Mr. Ashish A. Karanji, Company Secretary of the Company acted as Secretary to the Committee (till 31st March, 2022).

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

Sr. No.	Dates on which the Meeting of the Nomination and Remuneration Committee were held.	Mr. Vilas R. Gupte	Mr. Pradip N.Kapadia	Mr. Gautam G. Chakravarti
1	26th May, 2021	Yes	Yes	Yes
2	28th March, 2022	Yes	Yes	Yes

Yes - Attended, No - Not Attended

Performance evaluation of Independent Directors

As required under the provisions of the Companies Act, 2013 read with other provisions, Directors' performance evaluation was carried out based on the criteria of evaluation framed by the Nomination and Remuneration Committee and approved by the Board as per the applicable provisions inter-alia. The evaluation criteria comprised the following -

General

i. Well educated, experienced and possessing knowledge and competence

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

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

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

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

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

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

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

ix. Participation in Risk Management and material issues ; providing constructive advice/ suggestions.

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

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

xii. Addressing the interest of all stakeholders .

Additional areas for Independent Directors

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

Remuneration of Directors

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

The Company, during the year 2021-22, paid sitting fees to each Non-Executive Director for attending the Meetings of the Board of Directors and the Committees @ Rs. 70,000 per Meeting.

The Company did not pay a commission to any Director for 2021-22. Mr. Hrishikesh A. Mafatlal, Executive Chairman of the Company, voluntarily opted for a waiver of the remuneration for 2021-22.

Details of remuneration to all Directors

(Rs. In Lakhs)

Sr. No.	Names of Directors	Salary, allowances and perquisites	Commission	Sitting fees	Total
1	Mr. Hrishikesh A. Mafatlal	Nil	Nil	Nil	Nil
2	Mr. Atul K. Srivastava	Nil	Nil	7.70	7.70
3	Mr. Vilas R. Gupte	Nil	Nil	11.90	11.90
4	Mr. Pradip N. Kapadia	Nil	Nil	11.20	11.20

Sr. No.	Names of Directors	Salary, allowances and perquisites	Commission	Sitting fees	Total
5	Mrs. Latika P. Pradhan	Nil	Nil	11.20	11.20
6	Mr. Gautam G. Chakravarti	Nil	Nil	12.60	12.60
7	Mr. Sujal A. Shah	Nil	Nil	10.50	10.50
8	Mr. Priyavrata H. Mafatlal*	126.92	Nil	Nil	126.92

*Detailed break up for remuneration to Executive Director is provided in the **Annexures - C** to Directors' Report.

No bonus or stock options given/provided to any Directors for the financial year 2021-22.

Mr. Priyavrata H. Mafatlal, Managing Director & Chief Executive Officer (CEO till 31.03.2022), as a part of the agreed terms of his appointment, is also entitled to a commission not exceeding 1% of the net profit of the Company, as may be determined by the Board, considering the Remuneration Policy of the Company from time to time. However, due to the inadequacy of profits for 2020-21, no performance-linked bonus/ commission was paid to him.

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

Letters of appointment containing terms and conditions including remuneration, were issued to all Executive Directors. Besides, the appointment letters were also issued to all Independent Directors. A copy of the standard terms and conditions thereof is posted on the website of the Company under the 'Financial & Disclosures' section.

5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Board of Directors of the Company consists of Mr. Atul K. Srivastava, Mr. Pradip N. Kapadia and Mr. Hrishikesh A. Mafatlal. Mr. Atul K. Srivastava, a Non-Executive Director, is the Chairman of the said Committee. Mr. Ashish A. Karanji, Company Secretary of the Company is the Compliance Officer of the Company and acted as Secretary to the Committee (till 31st March, 2022).

During the Financial year 2021-22 one meeting of the Committee was held and attendance of the Directors was given below:

Sr. No.	Date of the Stakeholders' Relationship Committee meeting	Mr. Atul K. Srivastava	Mr. Pradip N. Kapadia	Mr. Hrishikesh A. Mafatlal
1	28th March, 2022	Yes	Yes	Yes

Yes: Attended, No: Not Attended.

The Committee has inter-alia reviewed the grievances of the shareholders received, redressed and pending quarter to quarter and other share related statistics and details, including transfer, transmission, demat, re-materialization, grievance redressal process and status etc. by the Registrar & Share Transfer Agent (RTA) viz. KFin Technologies Ltd.

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

The details of complaints received from stakeholders from 1st April, 2021 to 31st March, 2022, was as follows:

Number of shareholders complaints received: 11

Complaint not resolved to the satisfaction of shareholders: Nil

Number of pending complaints (as at 31.03.2022): Nil

6. General Body Meetings

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

Sr. No.	Location	Time	Annual General Meeting and date	Whether any special resolutions passed at AGM and (No. of such resolution passed)
1.	Through Video Conferencing or Other Audio-Visual Means (VC/OAVM)	12.30 P.M.	107th Annual General Meeting held on 30th July, 2021	Yes (3)
2	Through Video Conferencing or Other Audio-Visual Means (VC/OAVM)	12.30 P.M.	106th Annual General Meeting held on 10th September, 2020	Yes (1)
3.	J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015	10.00 A.M.	105th Annual General Meeting held on 2nd August, 2019	Yes (5)

Postal Ballot

There is no Postal Ballot proposed for the year 2021-22 as of now.

7. Means of Communication

i) Quarterly Results:

The Results are submitted to BSE Limited (Bombay Stock Exchange) at which the equity shares of the Company are listed and traded, by way of email and online filing with Listing Centre of BSE Ltd. Additionally the Results are also displayed on the Company's website- www.mafatlals.com.

ii) Newspapers wherein results normally published:

Publication of Results and Statutory Notices to the shareholders/members is published in Financial Express — English — All India Edition and Financial Express in Gujarati in Ahmedabad.

iii) Any website, where displayed:

All disclosures including the Financial Results are displayed by the Company on its website www.mafatlals.com under "Investors" Section.

iv) Whether it also displays official news releases:

Yes

v) Presentations made to institutional investors or to the analysts: None

8. General Shareholder Information:

i) Annual General Meeting:

108th Annual General Meeting of the Company will be held on Saturday, the 30th day of July, 2022 at 12.00 noon through video conferencing/ Other Audio/Visual Means. However, for the purpose of record/jurisdiction, the deemed venue would be the Registered Office of the Company at 301-302, Heritage Horizon, 3rd Floor, Off CG Road, Navrangpura, Ahmedabad 380009.

ii) Financial year:

April 1st to March 31st every year

iii) Dividend payment date:

N.A. The Board of Directors regretted their inability to recommend/declare any dividend for the year 2021-22. After considering the relevant circumstances holistically it decided that it would be prudent not to recommend any dividend.

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

The Equity Shares of the Company are listed on BSE Limited, P. J. Towers, Fort, Mumbai and Ahmedabad Stock Exchange. However, Ahmedabad Stock Exchange (ASE) is non-operational for the last many years since opted for Exit under SEBI Guidelines. The trading platform of the ASE is also non-operational. ASE has advised not to file any information's/ forms or compliance of listing provisions. Accordingly, the Company has paid Listing Fees for the year 2022-23 to BSE Ltd. only.

v) Stock code:

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

vi) Market price data high, low during each month of last Financial Year:

			Sensex		
Month	**High**	**Low**	**High**	**Low**	**No. of Trades**
Apr-21	93.00	79.00	50,375.77	47,204.50	799
May-21	121.95	83.10	52,013.22	48,028.07	2,784
Jun-21	158.90	108.35	53,126.73	51,450.58	2,280
Jul-21	196.00	131.50	53,290.81	51,802.73	2,554
Aug-21	169.70	128.65	57,625.26	52,804.08	1,531
Sep-21	189.80	133.00	60,412.32	57,263.90	1,651
Oct-21	203.75	162.00	62,245.43	58,551.14	1,413
Nov-21	197.20	162.25	61,036.56	56,382.93	789
Dec-21	194.80	162.20	59,203.37	55,132.68	1,171
Jan-22	257.85	171.80	61,475.15	56,409.63	3,251
Feb-22	255.00	155.90	59,618.51	54,383.20	1,657
Mar-22	186.60	153.55	58,890.92	52,260.82	803

viii) **Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.: BSE - Closing Index Vs. Closing Price of Share April, 2021 to March, 2022:**

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

Not applicable.

x) **Registrar and Share Transfer Agent**

M/s. KFin Technologies Ltd.
Selenium Tower B, Plot No.31&32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India.
E-mail: einward.ris@kfintech.com, Website: www.kfintech.com

xi) **Share Transfer System**

The Registrar & Share Transfer Agent of the Company undertakes all the shares and dividend related work of the shareholders of the Company. The RTA verify & process the valid Transfer documents received from shareholders and prepares an approval statement, and gets it approved by any two of the Members (Directors) of the Share Transfer Committee of the Board. The Share Transfer Committee consists of Mr. Atul K. Srivastava, Mr. Hrishikesh A. Mafatlal and Mr. Priyavrata H. Mafatlal, Directors of the Company. The share transfers are registered and returned within permitted time (except the disclosures made from time to time to the stock exchange) from the date of receipt if relevant documents are completed & verification is proper in all respects. However, as per Regulatory provisions and guidelines presently in force, no Physical Share Transfers are allowed for Listed Companies.

xii) **Distribution of Shareholding as on 31st March, 2022**

Sr. No.	Category (Shares)	No. of Holders	% Holders	No. of Shares	% Equity
1	1 – 50	62,793	95.75	3,36,020	2.39
2	51 – 500	2,360	3.60	4,04,044	2.87
3	501 - 1000	192	0.29	1,50,947	1.07
4	1001 - 2000	84	0.13	1,22,098	0.87
5	2001 - 3000	34	0.05	87,148	0.62
6	3001 - 4000	22	0.03	77,372	0.55
7	4001 - 5000	17	0.03	81,835	0.58
8	5001 - 10000	21	0.03	1,46,383	1.04
9	10001 - Above	60	0.09	1,26,65,539	90.01
	TOTAL	**65,583**	**100.00**	**1,40,71,386**	**100.00**

xiii) **Shareholding Pattern:**

SHAREHOLDING PATTERN AS ON 31st MARCH, 2022

Sr. No.	Category	Number of Shares held	% of holding
1	Promoter & Promoter Group	1,00,04,494	71.10
2	Mutual Funds	234	0.00
3	Banks / Financial Institutions / Insurance Companies / StateGovernment Institutions./UTI	3,45,075	2.45
4	FIIS (Foreign Institutional Investors)	0.00	0.00
5	Bodies Corporate	2,66,494	1.89
6	Indian Public	32,76,154	23.28
7	IEPF	1,24,683	0.89
8	NRIs	53,918	0.38
9	Any Other (please specify) Trust	334	0.00
	Total	**1,40,71,386**	**100**

xiv) Dematerialization of shares and liquidity:

The Equity shares of the Company are under compulsory Trading in demat form. The demat code of the Equity Shares of the Company is INE270B01027. As on 31st March, 2022, 17,499 shareholders holding 1,37,66,919 Equity Shares have dematerialized their shares which constitutes 97.83% of the total Paid-up Equity Share Capital of the Company.

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

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

None

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

The Company follows a conservative and risk-averse approach towards managing its foreign currency exposure and Cotton Commodity risks. Hence, the Company endeavors to mitigate the risk associated with the exchange rate fluctuation and Cotton Commodity by entering into a hedging contracts wherever it finds appropriate, with the Company's Bankers and/or permitted intermediaries in conformity with the applicable regulatory provisions and guidelines and Company Policy on risk management.

xvii) Plants Factory location:

Nadiad Unit: Kapadwanj Road, Nadiad 387 001.
Navsari Unit: Vejalpore Road, Navsari – 396 445 [No manufacturing operations for last 3 years]
Mazgaon Unit : Rambhau Bhogale Marg, Mazgaon, Mumbai – 400 010 (Non-Operational)

xviii) Address for Correspondence:

Hyderabad Address:	Mumbai Address:	Ahmedabad Address:
Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India. Tel:040 6716 2222 Fax:040 23420814, E-mail:einward.ris@kfintech.com website: www.kfintech.com	24B, Rajabahadur Compound, Ambalal Doshi Marg, Bh. BES Building Fort, Mumbai 400 001. Tel. 022- 66235353 Fax 022-66335192	Office No. 401 on 4th Floor, ABC-I, Off. C.G. Road, Ahmedabad 380009. Contact No.: 9081903021/9081903022

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

For the convenience of the shareholders of the Company, the documents will also be continued to be accepted by the Company at its

Registered Office and also at its Corporate Office.
Mafatlal Industries Limited
Corporate Identity Number: L17110GJ1913PLC000035

Registered Office:	Corporate Office:
301-302 Heritage Horizon, 3rd Floor, Off: C. G. Road, Navrangpura, Ahmedabad - 380 009. Tel: 079 26444404-06, Fax : 079 26444403 Email: ahmedabad@mafatlals.com Website: www.mafatlals.com	Mafatlal House, 5th Floor, H.T. Parekh Marg, Backbay Reclamation, Mumbai – 400020, Telephone: +91-22-6617 3636, Fax No: +91-22-6635 7633

xix) **List of credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

The Company has obtained its credit ratings from Acuite Ratings. As on 31st March, 2022 and as of date the rating is as follows:

Total Bank Facilities Rated	Rs. 196.00 Cr.
Long Term Rating	ACUITE BBB-/ Outlook: Stable (Assigned)
Short Term Rating	ACUITE A2 (Assigned)

Total Facilities Rated: Rs. 196.00 Cr. (Rupees One Hundred Ninety Six Crores Only)

xx) **Other Disclosures:**

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

None. There has been no materially significant Related Party Transaction entered into by the Company

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

None

c) Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee:

In conformity with the requirements of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the amended SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has devised Vigil Mechanism and has Whistle Blower Policy which gets amended wherever required, under which the Company takes cognizance of complaints made by the employees and others. No employee of the Company/ no other person have been denied access to the Audit Committee of the Board of Directors of the Company. During the year under review, no complaints have been received from any whistle blower. The Whistle Blower Policy of the Company has been posted on the website of the Company and is available at www.mafatlals.com

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the said Act read with other applicable provisions. Internal Complaints Committees are constituted and regularly redress Complaints, if any. During the year under review, no complaint has been received in respect of Sexual Harassment from any of the employees of the Company and necessary disclosure for the same have been given to the concerned Government Departments for respective locations.

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

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Hrishikesh A. Mafatlal is an Executive Chairman of the Company. Mr. Priyavrata H. Mafatlal, has been re-designated as Managing Director & Chief Executive Officer of the Company w.e.f. 1st July, 2020. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company Appointment of Mr. M. B. Raghunath, as the Chief Executive Officer (CEO) of the Company with effect from 1st April, 2022, hence Mr. Priyavrata H. Mafatlal, shall continue to be the Managing Director of the Company post the appointment of Mr. M. B. Raghunath as CEO.

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

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

The Company does not have "material subsidiary". The policy for determine material subsidiary is posted on the Company website as following link: www.mafatlals.com

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

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

However, during the year, the Company made an allotment of 1,47,000 equity shares of Rs.10/- each issued at Rs. 78.65 per share, to employees who exercised their vested employee stock options.

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

j) The Board of Directors accepted all recommendation of all the Committees of the Board during the financial year 2021-22.

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

Description of Service	Amount Rs. in Lacs
Annual Audit Fees	28.50
Fees for Limited Review Report for three quarters	10.50
Fees of Certification Services	1.00
Re-imbursement of expenses	0.35

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

The Company has, in compliance of applicable provisions, transferred Unpaid Dividend for the year 2013-14 amounting to Rs. 6,01,437 and the related 21,861 equity shares of Rs.10/- each of 3,977 shareholders during the year.

The provisions relating to Demat Suspense Account/unclaimed suspense accounts are not applicable to the Company.

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

The Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46.

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

a. Number of complaints pending at the beginning of the year (01.04.2021): NIL

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

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

d. Number of complaints pending as at the end of the financial year (31.03.2022): NIL

o) The Company laid down a procedure to inform Board Members about the risk assessment and risk mitigation mechanisms, periodically reviewed and reported to the Board of Directors by senior executives.

p) Disclosure of accounting treatment different from accounting standards:

None

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

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

The Code was placed on the Company's website - www.mafatlals.com. A certificate from the Managing Director and Chief Executive Officer, affirming compliance of the said Code by all the Board members and members of the senior management to whom the Code was applicable, is annexed separately with this report. Further, the Directors and the Senior Management of the Company submitted a disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large.

r) CEO/ CFO certification

The Chief Executive Officer and Chief Financial Officer of the Company give (a) annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of Listing Regulations (b) quarterly certification on the financial results to the Board in terms of listing regulations.

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

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)

Place: Mumbai
Date: 28th May, 2022

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

Annexure to Corporate Governance Report

Declaration regarding Affirmation of Code of Conduct

In terms of the requirements of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, this is to confirm that all the members of the Board and Senior Management personnel of the Company have affirmed the compliances with the Code of Conduct of the Company for the year ended 31st March, 2022.

For and on behalf of Board
For Mafatlal Industries Limited,

Priyavrata H. Mafatlal
Managing Director
(DIN:02433237)

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

Hrishikesh A. Mafatlal
Chairman
(DIN: 00009872)

Date: 28th May, 2022
Place: Mumbai

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

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To
The Members of
Mafatlal Industries Limited

We have examined the compliance of conditions of Corporate Governance by Mafatlal Industries Limited, for the year ended March 31, 2021 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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 **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N-500016

Priyanshu Gundana
Partner
Membership number: 109553
UDIN: 22109553AJUNVY3141

Place: Mumbai
Date: 28th May, 2022

SECRETARIAL AUDIT REPORT

FOR THE FINANICAL YEAR ENDED ON 31ST MARCH, 2022

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

To,
The Members,
Mafatlal Industries Limited,
301-302, Heritage Horizon,
Third Floor, Off. C. G. Road,
Navrangpura, Ahmedabad - 380009

Dear members,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mafatlal Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit year covering the year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(not attracted during year under review)***

(d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(not applicable to the Company during the audit period);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(not applicable to the Company during the audit period)**

(vi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head / groups of Acts, Laws and Regulations as applicable to the Company is as under:

1. Explosives Act, 1884
2. Essential Commodities Act, 1955
3. Textile Committee Act, 1963
4. Textile (Development & Regulation) Order, 2001.
5. Textile (Consumer Protection) Regulations, 1988
6. Electricity Act, 2003

7. Public Liability Insurance Act, 1991
8. Information Technology Act, 2000

We have also examined our compliance with the applicable clauses of the following:

(i) Secretarial standards issued by the Institute of Company Secretaries of India.

(ii) The listing agreements entered by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

Board of Directors of the Company is duly constituted with a 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 review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on the agenda were sent at least seven days in advance (except one meeting which was convened at a short notice with the consent of all Directors including Independent Directors following due procedures prescribed under applicable provisions/standards and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and to facilitate a meaningful participation at the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company has following specific event/action having a major bearing on the Company's Affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.:

1. Sale of substantially the whole undertaking of the company situated in Navsari pursuant to the provisions of Section 180(1) (a) of the Companies Act, 2013.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411D000420728

Place: Ahmedabad
Date:28th May, 2022

To,
The Members,
Mafatlal Industries Limited,
301-302, Heritage Horizon,
Third Floor, Off. C. G. Road,
Navrangpura, Ahmedabad - 380009

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards 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 efficiency or effectiveness with which the management has conducted the affairs of the company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411D000420728

Place: Ahmedabad
Date: 28th May, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mafatlal Industries Limited
301-302, Heritage Horizon,
Third Floor, Off. C.G.Road,
Navrangpura, Ahmedabad-380009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mafatlal Industries Limited** having CIN: L17110GJ1913PLC000035 and having registered office at 301-302, Heritage Horizon, Third Floor, Off C.G. Road, Navrangpura, Ahmedabad-380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Gautam Gangaprasad Chakravarti	00004399	30/05/2015
2	Hrishikesh Arvind Mafatlal	00009872	03/05/1979
3	Vilas Raghunath Gupte	00011330	30/05/2013
4	Atul Kumar Srivastava	00046776	10/10/2012
5	Sujal Anil Shah	00058019	30/05/2015
6	Pradip Narotam Kapadia	00078673	30/05/2013
7	Priyavrata Hrishikesh Mafatlal	02433237	01/11/2016
8	Latika Prakash Pradhan	07118801	17/04/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411D000420728

Place: Ahmedabad
Date:28th May, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Mafatlal Industries Limited

Report on the audit of the standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Mafatlal Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 49 to the standalone financial statements, which describes the management's assessment of the impact consequent to outbreak of Coronavirus (Covid-19) on the business operations of the Company. In view of highly uncertain economic environment, a definitive assessment of the impact in the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key audit matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of recoverability of deferred tax assets: Refer Note 36(d) to the standalone financial statements. The Company has recognised Deferred Tax Assets (DTA) on temporary differences and unabsorbed depreciation as it is considered to be recoverable based on the Company's projected taxable profits in the forecast period. The carrying value of DTA (net) is Rs. 777.57 lakhs as at March 31, 2022. We considered this a key audit matter because significant judgement is required by the Company in determining the recoverability of DTA recognised on unabsorbed depreciation as the realisation of tax benefits is dependent on future taxable profits and there are inherent uncertainties involved in forecasting such profits.	Our audit procedures included the following: • Evaluation of the design and testing operating effectiveness of Company's controls relating to the assessment of carrying amount of deferred tax assets. • Assessed the appropriateness of the Company's accounting policy in respect of recognizing deferred tax assets on unabsorbed depreciation and temporary differences. • Obtained the future taxable profit projections prepared by the management and performed enquiries to understand the assumptions used in such preparation. • Assessed the appropriateness of tax rate applied to the taxable profit forecasts. • Evaluated whether the unabsorbed depreciation, on which deferred tax asset is recognised, has been assessed by the tax authorities and is available for utilisation in accordance with the provisions of the Income-tax Act, 1961. • Verified the mathematical accuracy of the calculations underlying the profit projections. • Assessed the adequacy of disclosures made in the standalone financial statements with regard to deferred taxes. • Verified the Income tax computation for the current year resulting in a reversal of the deferred tax assets from previous year. Based on the above procedures, Management's assessment of recoverability of deferred tax assets was considered to be reasonable.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 in the 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

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

10. As part of an audit in accordance with SAs, we exercise professional 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 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 financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone 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 accounting standards specified under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on April 01, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Notes 43 and 50 to the standalone financial statements;
        ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2022;
        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year;
        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53(vi) to the standalone financial statements);
            (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53(vi) to the standalone financial statements); and
            (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
        v. The Company has not declared or paid any dividend during the year.
16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 22109553AJUMMV7983

Place: Mumbai
Date: May 28, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Mafatlal Industries Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Mafatlal Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. Also refer paragraph 4 of our main audit report.

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

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 22109553AJUMMV7983

Place: Mumbai
Date: May 28, 2022

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Mafatlal Industries Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties, other than self-constructed properties, as disclosed in Notes 3, 4 and 17 on Property, Plant and Equipment, Investment Properties and Assets held for sale respectively, to the standalone financial statements, are held in the name of the Company, except for a leasehold land of gross and net book value of Rs. 0.08 lakhs, where the Company is in the process of getting the expired lease renewed (Refer Note 4 to the standalone financial statements).

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account as set out below [Also refer Note 48(b) to the standalone financial statements].

(Rs. In lakhs)

Name of the Bank	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount as per books of account	Amount disclosed as per quarterly statement	Difference	Reasons for difference
ICICI bank	Rs. 45 crores	Trade receivables	June, 2021	15,628.97	13,089.67	2,539.30	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,539.30 lakhs
ICICI bank	Rs. 45 crores	Trade receivables	September, 2021	27,842.34	25,313.85	2,528.49	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,528.49 lakhs
ICICI bank	Rs. 45 crores	Trade receivables	December, 2021	16,615.29	14,866.10	1,749.19	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,606.95 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 857.76 lakhs)
ICICI bank	Rs. 45 crores	Inventories	December, 2021	3,000.14	2,308.31	691.83	Period-end revenue cut-off adjustment procedures

(Rs. In lakhs)

Name of the Bank	Aggregate working capital limits sanctioned	Nature of Current Asset offered as Security	Quarter ended	Amount as per books of account	Amount disclosed as per quarterly statement	Difference	Reasons for difference
ICICI bank	Rs. 45 crores	Trade receivables	March, 2022	22,057.15	20,966.37	1,090.78	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,505.10 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 1,414.32 lakhs)
ICICI bank	Rs. 45 crores	Inventories	March, 2022	2,636.34	1,388.00	1,248.34	Period-end revenue cut-off adjustment procedures

iii. (a) The Company has granted unsecured loans to employees. The aggregate amount granted during the year is Rs. 1.20 lakhs and balance outstanding at the Balance Sheet date with respect to such loans is Rs. 0.52 lakhs. The Company has not made any investments, granted secured loans/ advances in nature of loans, or stood guarantee, or provided securities during the year to any parties.

(b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no other loans/advances in nature of loans which were granted during the year, including to promoters/related parties.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie*,* the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of employees' state insurance and duty of excise, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, goods and service tax, duty of customs and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 43(f) to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2022, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs.in lakhs)	Period to which the amount relates	Due date	Date of Payment
Employee's State Insurance Act, 1948	Interest on ESIC	40.85	2000-2007 and April 2008 to May 2010	2000 to 2007 and 2008 to 2010	Not paid
Central Excise Act, 1944	Central Excise	3.44	April 1986 to October 1986, May 1995 to December 1995	1986 and 1995	Not paid

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of employees' state insurance, goods and service tax and provident fund which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise duty and value added tax as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount unpaid (Rs. In lakhs) #	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Central Excise	13.41	1998-2000, 2002-03	Supreme Court
Central Excise Act, 1944	Central Excise	39.43	1989-1990 to 2003-2004	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Central Excise	8.11	1999-2000	Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	81.33	1997-1999	Appellate Tribunal
Central Excise Act, 1944	Central Excise	2,914.72	2007-2008 to 2009-2010	Gujarat High Court
Central Excise Act, 1944	Central Excise	1.41	2006-2011	Assistant Commissioner of Central Excise
Customs Act, 1944	Customs Duty	4.79	1989-1990 to 1999-2000	Joint Director General of Foreign Trade
Maharashtra Value Added Tax	Sales Tax	23.22	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II
Central Sales Tax Act, 1956	Sales Tax	0.92	1999-2000	Joint Commissioner of Sales Tax (Appeals) – II
Finance Act, 1994	Service Tax	0.70	1997-1999	Appellate Tribunal
Income Tax Act, 1961	Income Tax	138.50	Assessment Year 1997-1998	Bombay High Court
Income Tax Act, 1961	Income Tax	1,791.43	Assessment Years 1997-1998, 1998-1999, 2012-2013, 2014-15 to 2019-20	Commissioner of Income Tax

Net of amount paid under protest

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 6,776.32 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 52 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 22109553AJUMMV7983

Place: Mumbai
Date: May 28, 2022

Standalone Balance Sheet as at March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	**9,275.88**	10,946.55
Right-of-use assets	3(b)	**-**	-
Investment properties	4	**235.65**	995.41
Intangible assets	5	**141.28**	241.58
Financial assets			
i. Investment in subsidiaries	6(A)(a)	**72.50**	72.50
ii. Other investments	6(A)(b),(B),(C)	**63,295.36**	44,327.70
iii. Other financial assets	8	**752.93**	981.07
Deferred tax assets (Net)	36(d)	**777.57**	1,072.72
Other non-current assets	9	**53.39**	69.10
Income tax asset (Net)	36(g)	**1,480.41**	1,080.93
Total non-current assets		**76,084.97**	**59,787.56**
Current assets			
Inventories	10	**7,195.88**	2,446.96
Financial assets			
i. Investments	7	**3.15**	73.18
ii. Trade receivables	11	**25,415.77**	21,662.28
iii. Cash and cash equivalents	12	**5,285.64**	3,529.22
iv. Bank balances other than (iii) above	13	**3,692.77**	2,246.86
v. Loans	14	**0.52**	5.25
vi. Other current financial assets	15	**1,575.82**	1,554.56
Other current assets	16	**2,864.12**	3,024.35
Assets held for sale	17	**0.13**	68.33
Total current assets		**46,033.80**	**34,610.99**
TOTAL ASSETS		**1,22,118.77**	**94,398.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18(a)	**1,407.07**	1,392.37
Other equity	18(b)		
i. Reserves and surplus		**7,888.94**	4,922.61
ii. Other reserves		**59,298.59**	40,348.05
Total Equity		**68,594.60**	**46,663.03**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	**4,386.11**	6,009.48
ii. Other financial liabilities	20	**1,929.38**	1,247.21
Other non-current liabilities	21	**141.13**	271.31
Total non-current liabilities		**6,456.62**	**7,528.00**
Current liabilities			
Financial liabilities			
i. Borrowings	22	**6,816.14**	8,795.07
ii. Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises; and		**1,018.19**	767.32
- total outstanding dues of creditors other than micro enterprises and small enterprises		**33,654.66**	24,135.13
iii. Other financial liabilities	24	**2,410.16**	2,138.87
Provisions	25	**1,210.02**	1,071.59
Other current liabilities	26	**1,369.59**	2,971.44
Income tax liabilities (Net)	36(h)	**20.59**	20.59
Liabilities directly associated with assets held for sale		**568.20**	307.51
Total current liabilities		**47,067.55**	**40,207.52**
Total liabilities		**53,524.17**	**47,735.52**
TOTAL EQUITY AND LIABILITIES		**1,22,118.77**	**94,398.55**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal Chairman (DIN:00009872)	**P. H. Mafatlal** Managing Director (DIN:02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary
Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022

Standalone Statement of Profit and Loss Account for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	27	**98,711.93**	60,219.49
Other income	28(a)	**1,708.11**	1,497.60
Other gains / (losses) (Net)	28(b)	**4,728.68**	2,067.11
Total income		**1,05,148.72**	**63,784.20**
Expenses			
Cost of materials consumed	29	**17,550.93**	7,631.93
Purchases of stock-in-trade		**66,068.05**	38,187.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	**(4,392.05)**	6,949.73
Employee benefits expense	31	**4,153.43**	4,901.89
Finance costs (Net)	32	**1,859.39**	2,210.27
Depreciation and amortisation expense	33	**1,567.07**	1,705.06
Other expenses	34	**14,100.93**	7,225.83
Total expenses		**1,00,907.75**	**68,811.85**
Profit / (Loss) before exceptional items and tax		**4,240.97**	**(5,027.65)**
Exceptional items	35	**(1,016.72)**	(4,083.38)
Profit / (Loss) before tax		**3,224.25**	**(9,111.03)**
Income tax expense			
- Current tax	36(a)	**-**	-
- (Short) provision of tax for earlier years		**-**	(109.15)
- Deferred tax (charge)	36(a)	**(295.14)**	(155.24)
Total tax expense (net)		**(295.14)**	**(264.39)**
Profit / (Loss) for the year		**2,929.11**	**(9,375.42)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Changes in fair value of FVOCI equity instruments	18(b)	**18,950.54**	27,540.10
- Remeasurements of post-employment benefit obligations (charge) / credit	41	**(108.67)**	9.21
Total Other Comprehensive Income for the year		**18,841.87**	**27,549.31**
Total comprehensive income for the year		**21,770.98**	**18,173.89**
Earnings / (Loss) per equity share of Rs. 10/- each	46		
Basic		**20.93**	(67.38)
Diluted		**20.88**	(67.38)

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Standalone Statement of Cash Flows for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before tax	**3,224.25**	(9,111.03)
	Adjustments for:		
	Employee share-based payment expense	**44.97**	24.18
	Depreciation and amoritsation expense	**1,567.07**	1,705.06
	Impairment losses of Property, plant and equipment	**-**	675.11
	Finance costs (Net)	**1,859.39**	2,210.27
	Net gain on disposal of Property, plant and equipment and investment property	**(4,692.45)**	(2,118.62)
	Interest income on financial assets at amortised cost	**(185.48)**	(117.01)
	Apportioned income from Government grant	**(130.18)**	(130.18)
	Dividend income from equity investments designated at fair value through other comprehensive income	**(511.22)**	(4.83)
	Rental income from investment properties	**(359.03)**	(292.74)
	Utility / business service / air-conditioning charges and other receipts in respect of investment property	**(411.07)**	(635.02)
	Liabilities / provisions no longer required written back	**(42.80)**	(218.86)
	Bad Debts written off	**261.57**	8.34
	Advances written off	**40.10**	-
	Provision for doubtful debts / (written back)	**(425.47)**	246.31
	Provision for doubtful deposits	**98.79**	-
	Net unrealised exchange loss / (gain)	**(17.69)**	63.69
	Operating profit / (loss) before working capital changes	**320.75**	**(7,695.33)**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**(4,748.92)**	8,158.73
	Trade receivables	**(3,571.90)**	3,495.53
	Current Loans	**4.73**	0.83
	Other current financial assets	**(120.05)**	(872.38)
	Other non-current financial assets	**160.68**	8.55
	Other bank balances	**(1,445.91)**	(1,362.38)
	Other non-current assets	**15.18**	7.59
	Other current assets	**120.13**	1,015.90
	Adjustments for increase / (decrease) in operating liabilities:		
	Other non-current financial liabilities	**682.17**	645.83
	Trade and other payables	**9,813.23**	(6,286.17)
	Other current financial liabilities	**271.29**	527.01
	Current provisions	**29.76**	(220.08)
	Other current liabilities	**(1,601.85)**	2,883.57
	Changes in working capital	**(391.46)**	**8,002.53**
	Cash (used in) / generated from operations	**(70.71)**	**307.20**
	Net income tax (paid) / refunds	**(399.48)**	390.73
	Net cash (outflow) / inflow from operating activities	**(470.19)**	**697.93**

Standalone Cashflow Statement for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
B.	**Cash flow from investing activities**		
	Purchase of Property, plant and equipment	**(423.62)**	(151.46)
	Proceeds from disposal of investment properties	**2,000.00**	1,999.05
	Proceeds from disposal of Property, plant and equipment / assets held for sale	**4,409.15**	123.07
	Purchase of investments	**(17.50)**	(65.00)
	Proceeds from sale of investments	**70.40**	-
	Deposits matured / (placed) with banks	**67.46**	58.30
	Interest income on financial assets at amortised cost	**185.48**	117.01
	Dividend income from equity investments designated at fair value through other comprehensive income	**511.22**	4.83
	Rental income from investment properties	**359.03**	292.74
	Utility / business service / air-conditioning charges and other receipts in respect of investment property	**411.07**	635.02
	Net cash inflow from investing activities	**7,572.69**	**3,013.56**
C.	**Cash flow from financing activities**		
	Proceeds from issues of equity shares	**115.61**	9.04
	Non-current borrowings taken	**29.65**	4,923.19
	Interest paid	**(1,862.10)**	(2,222.60)
	Non-current borrowings repaid	**(2,454.68)**	(4,486.05)
	Current borrowings repaid	**(1,174.56)**	(1,034.23)
	Principal element of lease payment	**-**	(66.83)
	Net cash outflow from financing activities	**(5,346.08)**	**(2,877.48)**
	Net increase in cash and cash equivalents	**1,756.42**	**834.01**
	Cash and cash equivalents at the beginning of the year	**3,529.22**	**2695.21**
	Cash and cash equivalents at the end of the year (Refer Note 12)	**5,285.64**	**3,529.22**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal Chairman (DIN:00009872)	**P. H. Mafatlal** Managing Director (DIN:02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary
Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022

Standalone Statement of Changes in Equity as at March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 1, 2020		1,391.22
Changes in equity share capital	18(a)	1.15
As at March 31, 2021		**1,392.37**
Changes in equity share capital	18(a)	14.70
As at March 31, 2022		**1,407.07**

B. Other equity

Particulars	Attributable to owners of Mafatlal Industries Limited												Total
	Reserves and Surplus											Other Reserves	
	Securities premium reserve	Retained Earnings	Capital Reserve No.1	Capital Reserve No. 2	Capital Reserve on Amalgamation	General Reserve	Capital Redemption Reserve	Capital Investment Reserve	Investment Reserve	ESOP Reserve	Export Profit Reserve	FVOCI - Equity instruments	
As at April 1, 2020	**17,452.07**	**(16,099.05)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**72.18**	**20.00**	**12,807.95**	**27,064.67**
Loss for the year	-	(9,375.42)	-	-	-	-	-	-	-	-	-	-	(9,375.42)
Other comprehensive income	-	9.21	-	-	-	-	-	-	-	-	-	27,540.10	27,549.31
Total comprehensive income	**-**	**(9,366.21)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,540.10**	**18,173.89**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	24.18	-	-	24.18
ESOP grants excercised	10.93	-	-	-	-	-	-	-	-	(3.01)	-	-	7.92
As at March 31, 2021	**17,463.00**	**(25,465.26)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**93.35**	**20.00**	**40,348.05**	**45,270.66**
Profit for the year	-	2,929.11	-	-	-	-	-	-	-	-	-	-	2,929.11
Other comprehensive income	-	(108.67)	-	-	-	-	-	-	-	-	-	18,950.54	18,841.87
Total comprehensive income	**-**	**2,820.44**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,950.54**	**21,770.98**
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	44.97	-	-	44.97
ESOP grants excercised	163.45	-	-	-	-	-	-	-	-	(62.53)	-	-	100.92
As at March 31, 2022	**17,626.45**	**(22,644.82)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**75.79**	**20.00**	**59,298.59**	**67,187.53**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

1. Background

Mafatlal Industries Limited (the "Company") is a public limited Company incorporated under the provisions of the Companies Act, 1956. The shares are listed on the Bombay Stock Exchange. The Company belongs to the reputed industrial house of Arvind Mafatlal Group in India, established in 1905. The Company is engaged in textile manufacturing and trading, having its manufacturing unit at Nadiad, Gujarat.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of Preparation

(i) **Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (the Rules) and other relevant provisions of the Act.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair values;
- Assets held for sale - measured at fair value less cost to sell;
- Defined benefit plans - plan assets measured at fair value,
- Share-based payments

(iii) **New amended standards adopted by the Company**

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2021:

- Interest Rate Benchmark Reform - amendments to Ind AS 109 and Ind AS 107
- Covid -19 related concessions - amendments to Ind AS 116

  The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) **New amendments issued but not effective**

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(v) **Reclassifications consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings and Inter Company Deposit (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) and Inter Company Deposit have now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings (including interest accrued) and Inter Company Deposit were included in "Other current financial liabilities" line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'Other financial assets' line item. Previously, these deposits were included in "Loans" line item.

b. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM consists of Chairman, CEO and MD who are responsible for allocating resources and assessing performance of the operating segments. The Company operates only in one business segment i.e. textile business segment, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments". Refer Note 45 for segment information presented.

c. Foreign Currency Transactions

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

d. **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue is net of returns, trade allowances, rebates, discounts, value added taxes, goods and service tax and amount collected on behalf of third parties.

The Company recognises revenue when the control of the goods is transferred in favour of the customers and the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company, there is no continuing managerial involvement with the goods and specific criteria have been met for each of the activities described below.

Timing of recognition

Revenue from sale of goods is recognised when the control of the goods are transferred to the buyer as per the terms of the contract and there is no unfulfilled obligation which could affect the customer's acceptance of the products.

Revenue from services is recognised in the accounting period in which the services are rendered.

Measurement of revenue

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government, which are levied on sales such as sales tax, value added tax, goods and service tax, etc. Discounts given includes rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

e. **Income tax**

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as tax expense in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/ (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in Equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in Equity, respectively.

f. **Government grants**

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

g. **Leases**

The Company has adopted Ind AS 116 using the modified retrospective approach with effect from April 1, 2019. The Company has adopted modified retrospective approach where lease liability measured at present value of remaining lease payment discounted at the incremental borrowing rate at the date of initial application and right to use asset is equal to lease liability adjusted by the amount of any prepaid or accrued lease payments.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard with effect from April 1, 2019.

h. <u>Property, plant and equipment</u>

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains/ (losses).

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Depreciation is calculated on a pro-rata basis from the date of acquisition / installation till the date the assets are sold or disposed of:

Asset category	Estimated useful life
Building	30 years
Plant and Machinery	9.5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Leasehold Improvements	9 years

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

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Individual assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

i. <u>Intangible assets</u>

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Computer software cost is amortised over a period of 3 years using straight-line method.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains/ (losses).

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 1, 2016 measured under IGAAP as the deemed cost of intangible assets.

Research and development

Research expenditure and development expenditure that do not meet the capitalisation criteria as mentioned above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

j. **Investment properties**

Land and building that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016 measured under IGAAP as the deemed cost of investment property.

k. **Impairment of assets**

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

l. **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m. **Trade receivables**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

n. **Trade payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

o. **Inventories**

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower.

Items of inventory are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost is determined on the following basis:

- Stores, spares, raw materials and trading goods - Weighted average cost
- Process stock and finished goods - Material cost plus appropriate value of overheads
- Others (land) - At cost on conversion to stock-in-trade plus cost of improvement

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

p. **Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

q. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election (on an instrument-by-instrument basis) at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(iii) Subsequent measurement

After initial recognition, financial assets are measured at:

- Fair value [through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)] or,
- Amortised cost

Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

- **Measured at amortised cost**

  Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

- **Measured at fair value through Other Comprehensive Income (OCI)**

  Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

- **Measured at fair value through profit or loss**

  A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments

The Company subsequently measures all investments in equity instruments other than subsidiary company, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in either Other Comprehensive Income or profit and loss. There is no subsequent reclassification of fair value gains and losses to the statement of profit and loss where FVOCI option is chosen. Dividends from such investments continue to be recognised in the Statement of Profit and Loss as Other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary company, associate company and joint venture company

Investments in subsidiary company is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Fair Value hierarchy

The judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements in the Note 37. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows:-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments (e.g. trade receivables, other contractual rights to receive cash or other financial asset). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Note 39 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

  Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

  Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

- **Interest income**

  Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- **Dividends**

  Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

r. Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

(ii) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(iii) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iv) Derecognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

s. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

t. Derivative instruments

The Company holds derivative financial instruments such as foreign exchange forward and commodity futures to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in prices of raw materials. The counterparty for these contracts is generally a bank.

Derivative financial assets or liabilities are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are expected to be realised within 12 months after the Balance Sheet date.

u. <u>Borrowings</u>

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as Other income / (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

v. <u>Borrowing costs</u>

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

w. <u>Provisions and contingent liabilities</u>

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each reporting period and reflect the best current estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

x. <u>Employee benefits</u>

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

<u>Defined Benefits plan</u>

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to trusts administered by the Company for certain employees, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss. For other employees, the Company makes contribution for certain employees whereas for some other employees the Company makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident fund contributions for certain employees are made to a trust administered by the Company in India. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Company is additionally provided. Actuarial losses and gains are recognised in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

Defined contribution plan

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

The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share based payments

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period),
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

y. Earnings per share

(i) **Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

z. 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.

aa. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

ab. Exceptional Items

Exceptional items include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

ac. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.1 Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- Estimation of useful life of property, plant and equipment: Note 2(h) and Note 3(a)
- Estimation of defined benefit obligation: Note 41
- Estimation of fair value of level 3 financial instruments: Note 37
- Contingent Liabilities: Note 43

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 3(a) - Property, Plant and Equipment

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold improvements	Railway sidings	Total
Year ended March 31, 2021									
Gross carrying amount	10.60	3,430.80	13,615.51	337.49	202.62	487.57	149.00	0.13	18,233.72
Additions	-	-	39.15	53.85	-	83.28	-	-	176.28
Transfer from assets held for sale (Refer Note 17)	-	-	126.35	0.90	-	0.45	-	-	127.70
Transferred to investment properties (Refer Note 4)	(0.13)	(1,001.19)	-	-	-	-	-	-	(1,001.32)
Disposals	-	(266.55)	(27.65)	-	-	(5.01)	-	-	(299.21)
Closing gross carrying amount	**10.47**	**2,163.06**	**13,753.36**	**392.24**	**202.62**	**566.29**	**149.00**	**0.13**	**17,237.17**
Accumulated depreciation									
Opening accumulated depreciation	-	474.33	3,907.06	126.11	121.75	321.85	127.87	-	5,078.97
Depreciation charge during the year	-	143.95	1,244.59	38.02	22.52	72.21	8.30	-	1,529.59
Transferred to investment properties (Refer Note 4)	-	(252.58)	-	-	-	-	-	-	(252.58)
Disposals	-	(36.23)	(27.65)	-	-	(1.48)	-	-	(65.36)
Closing accumulated depreciation	**-**	**329.47**	**5,124.00**	**164.13**	**144.27**	**392.58**	**136.17**	**-**	**6,290.62**
Net carrying amount	**10.47**	**1,833.59**	**8,629.36**	**228.11**	**58.35**	**173.71**	**12.83**	**0.13**	**10,946.55**

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold improvements	Railway sidings	Total
Year ended March 31, 2022									
Gross carrying amount	10.47	2,163.06	13,753.36	392.24	202.62	566.29	149.00	0.13	17,237.17
Additions	-	196.48	136.60	7.46	49.13	34.48	-	-	424.15
Transfer to assets held for Sale (Refer Note 17)	(0.03)	-	-	-	-	-	-	-	(0.03)
Disposals	(5.21)	(708.56)	(594.28)	(124.69)	(18.91)	(28.86)	(149.00)	-	(1,629.51)
Closing gross carrying amount	**5.23**	**1,650.98**	**13,295.68**	**275.01**	**232.84**	**571.91**	**-**	**0.13**	**16,031.78**
Accumulated depreciation									
Opening accumulated depreciation	-	329.47	5,124.00	164.13	144.27	392.58	136.17	-	6,290.62
Depreciation charge during the year	-	65.67	1,257.89	36.35	19.08	55.72	-	-	1,434.71
Disposals	-	(162.93)	(557.39)	(77.56)	(13.94)	(21.44)	(136.17)	-	(969.43)
Closing accumulated depreciation	**-**	**232.21**	**5,824.50**	**122.92**	**149.41**	**426.86**	**-**	**-**	**6,755.90**
Net carrying amount	**5.23**	**1,418.77**	**7,471.18**	**152.09**	**83.43**	**145.05**	**-**	**0.13**	**9,275.88**
Total									**9,275.88**

Notes:

(i) Refer Note 48(a) for information on property, plant and equipment pledged as security by the Company.

(ii) Refer Note 21, Note 26 and Note 47 for government grant related to property, plant and equipment.

(iii) The title deeds of immovable properties, other than self-constructed properties are held in the name of the Company (Also refer note 4 and 17).

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 3(b)- Right of Use Assets

Description	As at March 31, 2022	As at March 31, 2021
I. Gross Block - Premises		
Opening Balance	**-**	**239.63**
Additions	-	-
Disposals	-	(239.63)
Closing Balance	**-**	**-**
II. Accumulated depreciation		
Opening Balance	**-**	**172.80**
Depreciation expense for the year	-	66.83
Disposals	-	(239.63)
Closing Balance	**-**	**-**
Net block (I - II)		
Closing Balance	**-**	**-**

Note 4 - Investment Properties

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount	**1,267.37**	266.18
Transfer from property, plant and equipment (Refer Note 3)	**-**	1,001.32
Disposals	**(1,008.46)**	(0.13)
Closing gross carrying amount	**258.91**	**1,267.37**
Accumulated depreciation		
Opening accumulated depreciation	**271.96**	15.50
Depreciation charge during the year	**32.06**	3.88
Transfer from property, plant and equipment (Refer Note 3)	**-**	252.58
Disposals	**(280.76)**	-
Closing accumulated depreciation	**23.26**	**271.96**
Net carrying amount	**235.65**	**995.41**

(i) The investment property consists of freehold land, building and leasehold land.

(ii) Amounts recognised in the Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2022	As at March 31, 2021
Income from investment property [Refer note 28(a)]	**770.10**	927.76
Direct operating expenses towards income from investment property that generated income	**(643.81)**	(878.17)
Profit from investment properties before depreciation	**126.29**	**49.59**
Depreciation	**(32.06)**	(3.88)
Profit from investment properties	**94.23**	**45.71**

(iii) Leasing arrangements

(a) Operating leases

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between eleven to sixty months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under (Refer Note 44):

Particulars	As at March 31, 2022	As at March 31, 2021
Within one year	**247.44**	206.53
Later than one year but not later than five years	**298.31**	224.99
Total	**545.75**	**431.52**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Finance leases

Investment properties include land portions taken on lease by the Company for a period ranging from 80 to 99 years with an option to extend the lease by another 99 years on expiry of lease. However, the Company has no specific obligation towards renewal of lease. The Company has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land, and has thus accounted for the same as finance lease.

(iv) Fair value of investment properties

Particulars	As at March 31, 2022	As at March 31, 2021
Investment properties	**10,624.65**	15,503.39

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates. All resulting fair value estimates for investment properties are included in level 3. The Company obtains independent valuations from registered valuers for its investment properties annually.

(v) The Company is in the process of getting expired lease renewed in respect of the Lower Parel land with gross and net book value of Rs. 0.08 lakhs (March 31, 2021: Rs. 0.08 lakhs).

Note 5 - Intangible assets

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount	**632.87**	**632.87**
Additions	**-**	-
Closing gross carrying amount	**632.87**	**632.87**
Accumulated amortisation		
Opening accumulated amortisation	**391.29**	**286.53**
Amortisation during the year (Refer Note 33)	**100.30**	104.76
Closing accumulated amortisation	**491.59**	**391.29**
Net carrying amount*	**141.28**	**241.58**

* The computer softwares are other than internally generated.

Note 6 - Non-current investments

Particulars	As at March 31, 2022	As at March 31, 2021
(A) Investment in equity instruments (fully paid)		
(a) Subsidiary - Measured at cost		
Unquoted		
2,72,800 (March 31, 2021: 2,72,800) equity shares of Rs.100/- each of Mafatlal Services Limited	**27.50**	27.50
4,50,000 (March 31, 2021: 4,50,000) equity shares of Rs.10/- each of Vrata Tech Solutions Private Limited	**45.00**	45.00
Total (I)	**72.50**	**72.50**
(b) Other Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2021: 79,920) equity shares of Rs. 10/- each of Stanrose Mafatlal Investments and Finance Limited	**67.18**	61.60
84,300 (March 31, 2021: 84,300) equity shares of Rs.10/- each of Mangal Credit & Fincorp Limited	**84.67**	49.98
9,600 (March 31, 2021: 9,600) equity shares of Rs.2/- each of Ultramarine and Pigments Limited	**31.19**	28.04
2,52,59,059 (March 31, 2021: 2,52,59,059) equity shares of Rs.10/- each of NOCIL Limited $$	**63,008.75**	44,102.32
770 (March 31, 2021: 770) equity shares of Re.1/- each of Integra Engineering India Ltd.	**0.55**	0.21
100 (March 31, 2021: 100) equity shares of Rs.10/- each of Bank of India	**0.10**	0.13

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars		As at March 31, 2022	As at March 31, 2021
	Unquoted		
	45,000 (March 31, 2021: 45,000) equity shares of Rs.10/- each of Cama Hotels Limited	**@**	@
	1,600 (March 31, 2021: 1,600) equity shares of Rs.10/- each of Hybrid Financial Services Limited$**	**@**	@
	116 (March 31, 2021: 116) equity shares of Rs.10/- each of Anil Bioplus Limited	**@**	@
	12,40,000 (March 31, 2021: 12,40,000) equity shares of Rs.10/- each of Mafatlal Global Apparel Limited	**@**	@
	13,350 (March 31, 2021: 13,350) equity shares of Rs.10/- each of Matcon Export Enterprises Limited	**@**	@
	2,320 (March 31, 2021: 2,320) equity shares of Rs.10/- each of Anil Limited	**@**	@
	100 (March 31, 2021: 100) equity shares of Rs.10/- each of Arlabs Limited	**@**	@
	15,000 (March 31, 2021: 15,000) equity shares of Rs.10/- each of Cellulose Products of India Limited	**@**	@
	10 (March 31, 2021: 10) equity shares of Rs.25/- each of Universal Dyestuff Industries Limited	**@**	@
	5,870 (March 31, 2021: 5,870) equity shares of Rs.100/- each of SLM Maneklal Industries Limited	**@**	@
	30,000 (March 31, 2021: 30,000) equity shares of Rs.10/- each of Mafatlal Medical Devices Limited	**@**	@
	82,500 (March 31, 2021: 82,500) equity shares of Rs.100/- each of Janata Sahakari Bank Limited####	**82.50**	82.50
	100 (March 31, 2021: 100) equity shares of Rs.25/- each of Shamrao Vithal Co-Operative Bank Limited####	**0.03**	0.03
	3 (March 31, 2021: 3) Shares of Rs. 50/- each of Sea- Face Park Co-op Housing Society Limited	**@**	@
	26,16,670 (March 31, 2021: 26,16,670) equity shares of Rs.10/- each of Ibiza Industries Limited***@@	**@**	@
	39,76,002 (March 31, 2021: 39,76,002) equity shares of Rs.10/- each of Sunanda Industries Limited*@@	**@**	@
	1,46,364 (March 31, 2021: 1,46,364) equity shares of Rs.100/- each of Mafatlal Engineering Industries Ltd. ###@@	**@**	@
	147 (March 31, 2021: 147) equity shares of AED 1,000/- each of Al Fahim Mafatlal Textiles LLC@@	**-**	-
	23,700 (March 31, 2021: 23,700) equity shares of Rs. 10/- each of Mafatlal Ltd., UK ##@@	**@**	@
	17,500 (March 31, 2021: NIL) equity shares of Rs.100/- each of The Cosmos Co-Operative Bank Limited####	**17.50**	-
(B)	**Investments in Government securities**		
	Unquoted - At amortised cost		
	Government securities (Face value of Rs.2.89 lakhs) have been lodged with various authorities	**2.89**	2.89
(C)	**Investment in debentures and bonds**		
	Unquoted - At amortised cost		
	1,65,000 (March 31, 2021: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	**@**	@
	2,050 (March 31, 2021: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited:11% - Series IV #	**-**	-
	Total (II)	**63,295.36**	**44,327.70**
	Total (I)+(II)	**63,367.86**	**44,400.20**
	$ Not held in the name of the Company since acquired on Amalgamation.		
	$$ 50,38,358 (Previous year 64,92,062) equity Shares pledged with banks. Refer Note 48(a) for Assets pledged.		
	* Subject to non disposal undertakings given to financial institutions. The Company is currently under liquidation. 4,00,000 equity shares (Previous year 4,00,000 equity shares) were not available for verification.		
	** Not available for physical verification		
	*** 13,50,000 equity Shares of Ibiza Industries Limited have been pledged for loans/deposit taken by the Company / other companies. Not available for physical verification / confirmation not available; currently under liquidation.		
	# 1,050 nos. - Not available for physical verification.		
	## Not available for physical verification / confirmation not available; currently under liquidation.		
	### 66,667 equity shares not available for physical verification; currently under liquidation.		

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
#### The Company has investments in equity shares of co-operative banks at face value, required as per the bye-laws of these institutions in order to take borrowings from co-operative banks. The Investments are non transferable and will be bought back by co-operative banks at face value upon termination of relationship. These investments are with dividend rights.		
@ Amount is below the rounding off norm adopted by the Company.		
@@ Under liquidation		
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	**63,192.44**	44,242.28
Aggregate amount of unquoted investments	**175.42**	157.92
Aggregate amount of impairment in the value of investments	**-**	-
Total	**63,367.86**	**44,400.20**

Note 7 - Current investments

Particulars	As at March 31, 2022	As at March 31, 2021
NIL (March 31, 2021: 21,156.891) units of Aditya Birla Sunlife Liquid Fund - Instalment Premium-Growth	**-**	69.67
Quoted - at FVOCI		
2,940 (March 31, 2021: 2,940) equity shares of Rs.10/- each of Aditya Birla Capital Limited	**3.15**	3.51
Total	**3.15**	**73.18**
Total current investments		
Aggregate amount of quoted investments and market value thereof	**3.15**	73.18
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of impairment in the value of investments	**-**	-
Total	**3.15**	**73.18**

Note 8 - Non-current - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good		
Security deposits	**311.40**	472.08
Deposits with banks (with maturity period of more than 12 months)		
(i) Deposits with Banks	**-**	48.00
(ii) Balances held as security/margin money *	**440.98**	460.44
Others	**0.55**	0.55
Total	**752.93**	**981.07**

*Held as lien by Banks against borrowings, guarantees and other commitments in the normal course of business.

Note 9 - Non-current - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good		
Capital advances	**-**	0.53
Deposits with government authorities	**53.39**	62.08
Lease rent/utilities equalisation of income	**-**	6.49
Unsecured, considered doubtful		
Balances with government authorities	**0.79**	0.79
Less: Provision for doubtful balances with government authorities	**(0.79)**	(0.79)
Total	**53.39**	**69.10**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	**315.88**	11.36
Work-in-progress	**3,074.82**	904.32
Finished goods	**881.74**	640.46
Stock-in-trade	**1,354.21**	778.48
Stock-in-trade in transit	**1,337.08**	-
Stores and spares	**231.57**	111.76
Others (Land) [Refer Note 50 (ii)]	**0.58**	0.58
Total	**7,195.88**	**2,446.96**

Amounts recognised in the Statement of Profit and Loss

Write-downs of inventories to net realisable value amounted to Rs. 191.36 lakhs (March 31, 2021 – Rs. 571.34 lakhs), out of which Rs. 67.46 lakhs transferred to exceptional items (March 31, 2021 - Rs. 444.00 lakhs) which is disclosed in the note 35. Remaining amounts were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in-trade and finished goods' in the statement of Profit and Loss.

Note 11 - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**26,968.01**	22,805.02
Less: Allowance for doubtful debts (Refer Note 39)	**(717.28)**	(762.74)
Less : Allowance for doubtful debts (Refer Note 35)	**(834.96)**	(380.00)
Total	**25,415.77**	**21,662.28**
Unsecured		
Considered good	**25,415.77**	21,662.28
Considered doubtful	**1,552.24**	1,142.74
Less: Allowance for doubtful debts	**(1,552.24)**	(1,142.74)
Total	**25,415.77**	**21,662.28**
Break up of security details		
Trade receivables - Secured	**-**	-
Trade receivables - Unsecured	**26,100.26**	22,805.02
Trade receivables which have significant increase in credit risk	**-**	-
Trade receivables - Credit impaired	**867.75**	-
Total	**26,968.01**	**22,805.02**
Allowance for doubtful debts	**(1,552.24)**	(1,142.74)
Total	**25,415.77**	**21,662.28**

Ageing of Trade receivables as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(A) Undisputed Trade receivables							
(i) considered good	**18,186.16**	**3,848.54**	**783.43**	**1,157.23**	**1,558.31**	**566.59**	**26,100.26**
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
(B) Disputed Trade Receivables							
(i) considered good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	867.75	867.75
Total	**18,186.16**	**3,848.54**	**783.43**	**1,157.23**	**1,558.31**	**1,434.34**	**26,968.01**
Allowance for doubtful debts							**(1,552.24)**
Total							**25,415.77**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of Trade receivables as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed Trade receivables							
(i) considered good	8,979.15	5,397.98	2,402.29	4,069.28	496.05	592.52	21,937.27
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
(B) Disputed Trade Receivables							
(i) considered good	-	-	-	-	-	867.75	867.75
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Total	**8,979.15**	**5,397.98**	**2,402.29**	**4,069.28**	**496.05**	**1,460.27**	**22,805.02**
Allowance for doubtful debts							(1,142.74)
Total							**21,662.28**

Transferred receivables:

The carrying amounts of the trade receivables include receivables which are subject to a discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its Balance Sheet. The amount repayable under the discounting is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Total transferred receivables	**79.58**	324.40
Associated secured borrowings (Refer Note 22)	**(79.58)**	(324.40)
Total	**-**	-

Refer Note 38 for information about credit risk and market risk for trade receivables.

Note 12 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	**5.76**	2.27
Balances with banks:		
(i) In Current accounts	**5,033.50**	2,887.95
(ii) In Deposit accounts (with less than 3 months original maturity)	**246.38**	639.00
Total	**5,285.64**	**3,529.22**

Note 13 - Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with maturity of more than 3 months but less than 12 months		
In earmarked accounts		
(i) Balances held as margin money or security against borrowings, guarantees and other commitments	**2,529.48**	2,180.73
(ii) Unclaimed dividend accounts	**19.84**	26.22
Others		
(i) Balance in Fixed Deposits	**1,141.58**	38.04
(ii) Balances in Escrow Current accounts (Refer Note below)	**1.87**	1.87
Total	**3,692.77**	**2,246.86**

Note:
Balance in Escrow Current account of Rs.1.87 lakhs (March 31, 2021 - Rs.1.87 lakhs) is operated under the supervision of Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 14 - Current loans

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to employees	**0.52**	5.25
Total	**0.52**	**5.25**

Note: There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

Note 15 - Current - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits		
Considered good	**1,460.20**	1,467.98
Considered doubtful	**98.78**	-
	1,558.98	1,467.98
Less: Provision for doubtful deposits	**(98.78)**	-
	1,460.20	1,467.98
Government grant receivable	**82.72**	82.72
Interest accrued on deposits with banks	**30.58**	-
Other receivables (Refer Note 41)	**2.32**	3.86
Total	**1,575.82**	**1,554.56**

Note 16 - Current - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Prepaid expenses	**84.38**	171.08
Balances with government authorities	**1,855.85**	1,753.56
Advance to suppliers	**910.61**	1,084.65
Others	**13.28**	15.06
Total	**2,864.12**	**3,024.35**

Note 17 - Assets held for sale

Particulars	As at March 31, 2022	As at March 31, 2021
Assets classified as held for sale		
- Plant and Machinery	**-**	68.23
- Land [includes land transferred from Property Plant and Equipment - Refer Note 3(a)]	**0.13**	0.10
Total	**0.13**	**68.33**

Note 18 - Share capital and other equity

18(a) - Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
(i) Authorised				
Equity shares of Rs.10/- each with voting rights	**1,42,45,081**	**1,424.51**	1,42,45,081	1,424.51
Unclassified Shares of Rs.10/- each	**8,57,54,919**	**8,575.49**	8,57,54,919	8,575.49
Total	**10,00,00,000**	**10,000.00**	**10,00,00,000**	**10,000.00**
(ii) Issued				
Equity shares of Rs.10/- each with voting rights	**1,40,71,386**	**1,407.13**	1,39,24,386	1,392.43
(iii) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	**1,40,71,386**	**1,407.13**	1,39,24,386	1,392.43
Less: Allotment money/ Calls in arrears	**-**	**(0.06)**	-	(0.06)
Total	**1,40,71,386**	**1,407.07**	**1,39,24,386**	**1,392.37**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(1) *Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:*

Particulars	Number of shares	Share capital (Rs. in lakhs) (Par value)
Balance as at April 01, 2020	**1,39,12,886**	**1,391.22**
Issued during the year	11,500	1.15
Balance as at March 31, 2021	**1,39,24,386**	**1,392.37**
Issued during the year (Refer Note 5(ii) below)	1,47,000	14.70
Balance as at March 31, 2022	**1,40,71,386**	**1,407.07**

(2) *Terms & rights attached to Equity shares:*

The Company has issued only one class of equity shares having a par value of Rs. 10/- per share. Every holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting except for interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

(3) *Details of shareholders holding more than 5% of the aggregate shares in the Company:*

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% Holding	Number of shares	% Holding
H. A. Mafatlal	**26,73,046**	**19.00%**	26,73,046	19.20%
NOCIL Limited	**19,54,695**	**13.89%**	19,54,695	14.04%
Sumil Trading Private Limited	**31,18,326**	**22.16%**	31,18,326	22.39%
Rekha H. Mafatlal	**13,07,387**	**9.29%**	13,07,387	9.40%

(4) *Details of shareholding of promoters:*

Name of the Promoter	As at March 31, 2022			As at March 31, 2021		
	No of shares	% of total no. of shares	% of change during the year	No of shares	% of total no. of shares	% of change during the year
Rekha H. Mafatlal	**13,07,387**	**9.29%**	**0.11%**	13,07,387	9.40%	0.00%
H. A. Mafatlal As a Trustee Of Gurukripa Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal As A Trustee Of Karuna Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal As A Trustee Of Narsingha Trust	**100**	*	**0.00%**	100	*	0.00%
Rekha H. Mafatlal As A Trustee Of Radha Raman Trust	**100**	*	**0.00%**	100	*	0.00%
Aarti M. Chadha	**1,49,180**	**1.06%**	**0.01%**	1,49,180	1.07%	0.00%
H. A. Mafatlal As A Trustee Of Shrija Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal	**26,73,046**	**19.00%**	**0.20%**	26,73,046	19.20%	0.00%
Anjali K. Agarwal	**1,77,430**	**1.26%**	**0.01%**	1,77,430	1.27%	0.01%
P.H. Mafatlal	**5,60,991**	**3.99%**	**0.04%**	5,60,991	4.03%	0.00%
Gayatri Pestichem Manufacturing Private Ltd	**22,305**	**0.16%**	**0.00%**	22,305	0.16%	0.00%
NOCIL Limited	**19,54,695**	**13.89%**	**0.15%**	19,54,695	14.04%	0.01%
Sumil Trading Private Limited	**31,18,326**	**22.16%**	**0.23%**	31,18,326	22.39%	0.02%
Shri H. A. Mafatlal Public Charitable Trust No 1	**24,128**	**0.17%**	**0.00%**	24,128	0.17%	0.00%
Seth Navinchandra Mafatlal Foundation Trust No 1	**16,506**	**0.12%**	**0.00%**	16,506	0.12%	0.00%
	1,00,04,494	**71.10%**		1,00,04,494	71.85%	

* % of total number of shares below the rounding off norm adopted by the Company.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(5) Aggregate number of shares issued for consideration other than cash:

(i) During the year 2013-14, 40,99,415 Equity shares of Rs. 10/- each fully paid-up were issued to shareholders of erstwhile Mafatlal Denim Limited, as consideration on merger with the Company.

(ii) Shares reserved for issue under options

Information relating to Mafatlal Industries Limited Employee Option Plan, including details of options issued, granted, vested and exercised during the financial year and options outstanding at the end of the reporting period, is set out in Note 38. During the current financial year ended March 31, 2022: 1,47,000 (March 31, 2021: 11,500) options were excercised under ESOP Scheme.

(6) Calls unpaid (by other than officers and directors)

Particulars	As at March 31, 2022	As at March 31, 2021
Calls unpaid	**0.06**	0.06

(7) During 1987-88: 5,35,000 shares (of Rs. 100/- each) were allotted on rights basis subject to the result of suit nos. 3181 and 3182 of 1987 filed by three shareholders against the Company and Others in the Ahmedabad City Civil Court. The suits are pending disposal.

18(b) - Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	**17,626.45**	17,463.00
Retained earnings	**(22,644.82)**	(25,465.26)
General Reserve	**620.00**	620.00
Capital Reserve No.1	**61.16**	61.16
Capital Reserve No. 2	**35.00**	35.00
Capital Reserve on Amalgamation	**3,634.48**	3,634.48
Capital Redemption Reserve	**8,383.14**	8,383.14
Capital Investment Reserve	**75.96**	75.96
Investment Reserve	**1.78**	1.78
ESOP Reserve	**75.79**	93.35
Export Profit Reserve	**20.00**	20.00
Other reserves:		
FVOCI - Equity instruments	**59,298.59**	40,348.05
Total	**67,187.53**	**45,270.66**

(i) Securities Premium

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**17,463.00**	17,452.07
Add:- Movement during the year	**163.45**	10.93
Balance at the end of the year	**17,626.45**	**17,463.00**

(ii) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**(25,465.26)**	(16,099.05)
Add: Profit / (Loss) for the year	**2,929.11**	(9,375.42)
Other comprehensive income	**(108.67)**	9.21
Balance at the end of the year	**(22,644.82)**	**(25,465.26)**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) General Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**620.00**	620.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**620.00**	**620.00**

(iv) Capital reserve No.1

Capital reserve is to be utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**61.16**	61.16
Add: Movement during the year	**-**	-
Balance at the end of the year	**61.16**	**61.16**

(v) Capital reserve No. 2

The reserve has arisen out of State Government subsidy received by the Company and is separately maintained as per the provisions of the Act.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**35.00**	35.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**35.00**	**35.00**

(vi) Capital Reserve on Amalgamation

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**3,634.48**	3,634.48
Add: Movement during the year	**-**	-
Balance at the end of the year	**3,634.48**	**3,634.48**

(vii) Capital redemption reserve

It represents reserve created during buy back of Equity Shares, preference shares and it is a non-distributable reserve.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**8,383.14**	8,383.14
Add: Movement during the year	**-**	-
Balance at the end of the year	**8,383.14**	**8,383.14**

(viii) Capital Investment Reserve

The said reserve has arisen out of excess of non taxable sales proceeds over the book values

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**75.96**	75.96
Add: Movement during the year	**-**	-
Balance at the end of the year	**75.96**	**75.96**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(ix) Investment Reserve

The said reserve has arisen on account of amalgamation with Mafatlal Gagalbhai and Company Private Limited.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**1.78**	1.78
Add: Movement during the year	**-**	-
Balance at the end of the year	**1.78**	**1.78**

(x) ESOP Reserve

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**93.35**	72.18
Add: Movement during the year	**44.97**	24.18
Less: Grants Excercised	**(62.53)**	(3.01)
Balance at the end of the year	**75.79**	**93.35**

(xi) Export Profit Reserve

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**20.00**	20.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**20.00**	**20.00**

(xii) FVOCI - Equity instruments

The Company fair values certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**40,348.05**	12,807.95
Add: Change in fair value of FVOCI equity instruments	**18,950.54**	27,540.10
Balance at the end of the year	**59,298.59**	**40,348.05**

Note 19 - Non- current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii), (iii), (iv) and (v) below]	**3,987.09**	5,293.98
(b) For vehicle loans [Refer Note no.(vi) below]	**27.21**	7.63
(c) From financial institutions [Refer Note no.(vii) and (viii) below]	**371.81**	707.87
Total	**4,386.11**	**6,009.48**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Term loan from consortium of two Banks, aggregating to Rs. 2,897.43 lakhs (March 31, 2021: Rs. 3,448.39 lakhs) is secured by mortgage on pari passu basis of an immovable asset (building) measuring 2,072.20 sq. mtrs. of Mafatlal House at Mumbai.	Repayable in 60 installments begining from April 2021 till March 2026. The rate of interest for the year was @ 11.50% p.a. (March 31, 2021: 11.50% p.a.).
(ii) Term loan from a Bank, amounting to Rs. 1,481.89 lakhs (March 31, 2021: Rs. 1,474.80 lakhs) is secured by mortgage of an immovable asset (building) measuring 273.60 sq. mtrs. of Mafatlal House at Mumbai and 178.56 sq. mtrs. at Ahmedabad and pledge over 13,34,296 (March 31, 2021: 12,28,000 shares of NOCIL Limited).	Repayable in 8 installments begining from June 2023 till March 2025. The rate of interest for the year was @ 10.80% p.a. to 11.00% p.a. (March 31, 2021: 11.00% p.a.).
(iii) Term loan from a Bank, amounting to NIL (March 31, 2021: Rs.471.71 lakhs) was secured by mortgage of an immovable asset (building) measuring 343.28 sq. mtrs. of Mafatlal Chambers at Mumbai.In the previous year, the term loan was also secured by exclusive first charge on property, plant and equipment aquired out of the said loan from Bank at Navsari plant and pledge over 5,10,000 shares of NOCIL Limited.	The term loan was repaid in October 2021. The rate of interest for the year was 12.40% p.a. (March 31, 2021: 12.40% p.a. - 12.65% p.a.).
(iv) Term loan from a Bank, amounting to Rs.139.26 lakhs (March 31, 2021: Rs. 629.25 lakhs) is secured by mortgage of an immovable asset (land and building) at Nadiad and exclusive first charge on property, plant and equipment acquired out of the said loan from Bank at Nadiad Plant and second charge on certain stock and book debts of the Company.	Repayable in 60 installments begininng from December 2016 till June 2022. The rate of interest for the year was @ 12.25 % p.a. (March 31, 2021: 12.25 % p.a.).
(v) Term loan from a Bank, amounting to Rs. 538.17 lakhs (March 31, 2021: Rs. 930.98 lakhs) is secured by rental receivables of specific floors of Mafatlal House and partial area of Mafatlal Centre from lessees.	Repayable in 108 installments begining from July 2016 till November 2025. The rate of interest for the year was 10.50% p.a. (March 31, 2021: 10.50% p.a.).
(vi) Loans from a Bank, amounting to Rs. 38.61 lakhs (March 31, 2021: Rs.17.38 lakhs) for Vehicles is secured by hypothecation of respective vehicles.	Repayable in monthly installments and the rate of interest for the year was in the range of 7.00 % to 10.00 % p.a. (March 31, 2021: 8.40% to 10.00% p.a).
(vii)Term loan from a financial institution, amounting to Rs. 88.17 lakhs (March 31, 2021: Rs. 387.01 lakhs) is secured by mortgage of an immovable asset (land and building) at Nadiad and exclusive first charge on property, plant and equipement acquired out of the said loan from Financial institution at Nadiad Plant.	Repayable in 20 quarterly installments begining from June 2017 till September 2022 after a moratorium period of 12 months. The rate of interest for the year was in the range of 10.55 % to 11.10 % p.a. (March 31, 2021: 11.10% to 11.50% p.a.).
(viii) Term loan from a financial institution, amounting to Rs. 619.68 lakhs (March 31, 2021: Rs. 868.72 lakhs) is secured by charge on movable property, plant and equipement acquired out of said loan, charge by way of mortgage over immovable assets (land & building) measuring 253.81 sq. mtrs. of Mafatlal House at Mumbai, pledge over 4,91,062 shares of NOCIL Limited, and pledge by promoters / promoter companies of certain shareholding in the Company and a lien on term deposit. (Also Refer Note 8)	Repayable in 20 quarterly installments begining from June 2019 till September 2024 after a moratorium period of 18 months. The rate of interest for the year was in the range of 10.35 % to 10.90 % p.a. (March 31, 2021: 10.90% to 11.30 % p.a.).
The amounts mentioned include installments falling due within a year aggregating to Rs. 1,417.10 lakhs (March 31, 2021: Rs. 2,218.76 lakhs) have been grouped under "Current Borrowings" [Refer Note 22]. For Liquidity risk information, refer note 39.	

Note 20 - Non-current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Trade / Security deposits	**353.75**	385.50
Other Advances*	**1,291.81**	577.89
Interest accrued and not due on others [Refer Note 50 (i)]	**283.82**	283.82
Total	**1,929.38**	**1,247.21**

* Out of the above, Other advances for Rs. 577.89 lakhs (March 31, 2021: 577.89 lakhs), refer note 50(i).

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 21 - Non-current - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Income on Government Grant (Refer Note 47)	**141.13**	271.31
Total	**141.13**	**271.31**

Note 22 - Current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
From Banks		
Cash credit*	**5,095.15**	5,824.89
Factored receivables (Refer Note 11)	**79.58**	324.40
Current maturities of long-term debt (Refer Note 19)		
(i) From Banks	**1,070.80**	1,661.13
(ii) For vehicle loans	**11.41**	9.75
(iii) From financial institutions	**334.89**	547.88
Interest accrued but not due on borrowings	**24.31**	27.02
Unsecured		
Inter Company Deposit**	**200.00**	400.00
Total	**6,816.14**	**8,795.07**

*Cash Credit facility are secured by hypothecation of certain stocks and book debts, both present and future, of the Company, second charge on certain property, plant and equipment of the Company and pledge of 32,13,000 equity shares (March 31, 2021: 42,63,000 equity shares) of NOCIL held by the Company. The cash credit is repayable on demand and carry an interest in the range of 10.25% to 12.25% p.a.(March 31, 2021: 12.25% p.a.). Refer Note 48(a) for assets pledged as Security and Refer Note 48(b) borrowing secured against current assets.

** Represents Inter-company deposits taken for a term of 120 days extendable by mutual consent and carrying an interest of 12% p.a. (March 31, 2021 - 12.00% p.a.) payable on maturity.

Note 23 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises; and	**1,018.19**	767.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	**33,193.06**	23,912.48
Trade Payables to related parties (Refer Note 42)	**461.60**	222.65
Total	**34,672.85**	**24,902.45**

Ageing of Trade Payables as at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	**153.75**	**253.03**	**391.72**	**219.55**	**-**	**0.14**	**1,018.19**
(ii) Others	**2,743.87**	**13,565.43**	**14,102.97**	**1,654.21**	**1,461.92**	**126.26**	**33,654.66**
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**2,897.62**	**13,818.46**	**14,494.69**	**1,873.76**	**1,461.92**	**126.40**	**34,672.85**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of Trade Payables as at March 31, 2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	137.60	53.54	463.20	112.98	-	-	767.32
(ii) Others	2,094.54	8,403.50	7,879.27	4,971.31	773.92	12.59	24,135.13
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**2,232.14**	**8,457.04**	**8,342.47**	**5,084.29**	**773.92**	**12.59**	**24,902.45**

Note: For Liquidity risk information, Refer Note 39.

Dues to Micro and Small Enterprises:-
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**864.44**	629.72
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**153.75**	137.60
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**907.52**	1,365.05
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**16.15**	27.89
Further interest remaining due and payable for earlier years	**137.60**	109.71
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues, above are actually paid to Small enterprises, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	**153.75**	137.60

Note 24 - Current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends*	**19.84**	26.22
Book Overdraft	**1,057.56**	-
Trade Deposits	**1,332.76**	1,391.41
Trade payables for capital assets	**-**	7.32
Other advances	**-**	713.92
Total	**2,410.16**	**2,138.87**

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

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 25 - Current provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	325.97	313.29
(ii) Provision for Gratuity (Refer Note 41)	883.54	757.79
Other Provisions		
(i) Provision for Fringe Benefit Tax [net of advance tax Rs.39.05 lakhs (As at March 31, 2021: Rs.39.05 lakhs)]	0.40	0.40
(ii) Provision for Wealth Tax (net)	0.11	0.11
Total	**1,210.02**	**1,071.59**

Note 26 - Current - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payment towards Statutory liabilities	201.83	103.11
Advance from customers [Refer Note 26(a)]	603.11	581.79
Employee Benefits Payable	380.85	1,956.20
Deferred Income on Government Grant (Refer Note 47)	130.18	130.18
Others	53.62	200.16
Total	**1,369.59**	**2,971.44**

Note 26(a) - Revenue recognised in relation to advance from customers

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue recognised that was included in advance from customers at the beginning of the period	521.76	318.24

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	96,127.05	60,009.73
Sale of services	2,072.15	-
Other operating revenues		
Income from waste / scrap sale	237.69	109.41
Processing income	105.54	2.84
Duty drawback and other export incentives	169.50	97.51
Total	**98,711.93**	**60,219.49**

Note 28(a) - Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on financial assets at amortised cost	185.48	117.01
Interest income on income tax refund	-	44.29
Rental income from investment property	359.03	292.74
Utility / business service / air-conditioning charges and other receipts in respect of investment property	411.07	635.02
Dividend income from equity investments designated at fair value through other comprehensive income *	511.22	4.83
Apportioned Income from Government grant #	130.18	130.18
Liabilities / provisions no longer required written back	42.80	218.86
Miscellaneous income	68.33	54.67
Total	**1,708.11**	**1,497.60**

* All dividends from equity investments which are designated at FVOCI relate to the investments held at the end of the reporting period.

Government grants have been received for investment in certain items of property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants as at March 31, 2022. (Refer Note 47)

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 28(b) - Other gains / (losses)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net gain on disposal of Property Plant and Equipment and Investment Property (Refer Notes 3 and 4)	**4,692.45**	2,118.62
Net foreign exchange differences	**36.23**	(51.51)
Total	**4,728.68**	**2,067.11**

Note 29 - Cost of materials consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw materials consumed	**17,291.78**	7,597.16
Less : Transfer to exceptional items [Refer Note 35]	**-**	(91.19)
	17,291.78	7,505.97
Packing materials consumed	**259.15**	125.96
Total	**17,550.93**	**7,631.93**

Note 30 - Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year		
Finished goods	**881.74**	640.46
Work-in-progress	**3,074.82**	904.32
Stock-in-trade (Traded goods)	**2,691.29**	778.48
Inventories at the beginning of the year		
Finished goods	**640.46**	4,732.14
Work-in-progress	**904.32**	3,572.58
Stock-in-trade (Traded goods)	**778.48**	1,328.13
	(4,324.59)	**7,309.59**
Less : Transfer to exceptional items (Refer Note 35)	**(67.46)**	(359.86)
Total	**(4,392.05)**	**6,949.73**

Note 31 - Employee Benefit expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	**3,399.20**	4,295.65
Contributions to provident and other funds [Refer Note 41(ii)(a)]	**263.00**	273.54
Gratuity expenses (Refer Note 41)	**289.10**	178.22
Staff welfare expenses	**157.16**	130.30
Employee share-based payment expense (Refer Note 38)	**44.97**	24.18
Total	**4,153.43**	**4,901.89**

Note 32 - Finance costs (Net)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on:		
Borrowings [Refer Note below]	**1,424.77**	1,900.88
Trade payables	**280.71**	143.61
Others	**153.91**	165.78
Total	**1,859.39**	**2,210.27**

Note:
The interest subsidy for the year on the Term Loans availed under the Technology Upgradation Fund Scheme (TUFS) is NIL (March 31, 2021 Rs. 7.55 lakhs) and the same has been netted off from interest expense.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 33 - Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment and Right of use assets [Refer Notes 3(a) and 3(b)]	**1,434.71**	1,596.42
Amortisation on intangible assets (Refer Note 5)	**100.30**	104.76
Depreciation on investment property (Refer Note 4)	**32.06**	3.88
Total	**1,567.07**	**1,705.06**

Note 34 - Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spare parts	**2,669.41**	1,721.38
Less : Transfer to exceptional items [Refer Note 35]	**-**	(312.95)
Processing charges	**513.70**	369.01
Power and fuel	**3,631.39**	1,502.70
Repairs and maintenance - Buildings	**148.94**	19.03
Repairs and maintenance - Machinery	**100.34**	39.25
Repairs and maintenance - Others	**277.23**	51.16
Insurance	**86.17**	87.50
Lease rent*	**9.06**	27.50
Rates and taxes	**253.84**	151.43
Sub-contracting charges	**2,684.27**	369.30
Transport and freight charges (net)	**1,110.16**	584.94
Donations and Charities	**0.33**	5.26
Bad Debts written off	**261.57**	8.34
Provision for doubtful debts / (written back)	**(425.47)**	246.31
Advances written off	**40.10**	-
Provision for doubtful deposits	**98.79**	-
Legal and professional fees	**879.28**	368.44
Payments to auditors [Refer Note 34(a)]	**40.35**	49.87
Directors' fees [Refer Note 42]	**65.10**	53.20
Miscellaneous expenses	**1,656.37**	1,884.16
Total	**14,100.93**	**7,225.83**

* Lease rent expense pertains to short-term leases.

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to the auditors		
As auditor:		
Statutory audit fees	**28.50**	33.25
Limited review	**10.50**	14.25
Certification services	**1.00**	2.00
Re-imbursement of expenses	**0.35**	0.37
Total	**40.35**	**49.87**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 35 - Exceptional Items

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Employee severance cost comprising voluntary retirement scheme at Nadiad [Refer note (I) below]	**114.30**	2,264.27
(b) Impact due to Covid-19 [Refer note (II) below]		
(i) Property, Plant and Equipment [Net of all associated costs] (Refer Note 3)	**-**	675.11
(ii) Write-down of current assets [Includes inventories and select receivables (Refer Notes 10 and 11)]	**902.42**	1,144.00
Total	**1,016.72**	**4,083.38**

Note (I): During the previous financial year ended March 31, 2021, the Company had entered into a Memorandum of Understanding (MOU) with Workers' Union at its Nadiad location to reduce its workforce and accordingly recognized 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 now been terminated.

Note (II): In the current year, the Company has estimated and recognized an impairment loss against carrying value of receivables and inventories, owing to Covid-19 related uncertainties and disclosed the same under exceptional item. For the year ended March 31, 2021, such provision comprised of doubtful debts, slow / non-moving inventories and impairment of property, plant and equipment. (Also Refer Note 49)

Note 36 - Taxation

36(a) - Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	**34.944%**	34.944%
Current tax on Profits / (Loss) for the year	**-**	-
Total current tax expense	**-**	**-**
Deferred tax		
(Decrease) / increase in deferred tax assets	**(388.49)**	(826.04)
Decrease / (increase) in deferred tax liabilities	**93.35**	670.80
Total deferred tax (expense) / credit	**(295.14)**	**(155.24)**
Income tax expense	**(295.14)**	**(155.24)**

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) for the year	**3,224.25**	(9,111.03)
Statutory income tax rate applicable to Mafatlal Industries Limited	**34.944%**	34.944%
Tax expense at applicable tax rate	**1,126.68**	**(3,183.76)**
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income:		
Permanent difference on sale of property, plant and equipment and investment properties	**1,197.10**	-
Differential tax rate in respect of capital gains	**147.50**	-
Unrecognised deferred tax for tax losses and other temporary differences	**(404.54)**	(2,748.00)
Expenses not deductible for tax purposes	**(47.89)**	(247.46)
Income for the year set off against brought forward losses	**(60.63)**	-
Others	**-**	(33.06)
Income tax expense as per the Statement of Profit and Loss	**(295.14)**	**(155.24)**

36(c)- No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in Equity and not in Statement of Profit and Loss or Other comprehensive income.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

36(d) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision for doubtful debts / advances (net)	**576.94**	399.32
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	**1,395.26**	1,454.18
Unabsorbed depreciation	**463.15**	970.34
Total deferred tax assets	**2,435.35**	**2,823.84**
Deferred Tax Liability		
On difference between book balance and tax balance of property, plant and equipment	**(1,657.77)**	(1,751.12)
Total deferred tax assets	**777.57**	**1,072.72**

Movement in deferred tax (assets) / liabilities

Particulars	As at March 31, 2020	(Charged)/ Credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Provision for doubtful debts / advances (net)	183.38	215.94	-	399.32
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	1,266.62	187.56	-	1,454.18
Unabsorbed depreciation	2,199.88	(1,229.54)	-	970.34
On difference between book balance and tax balance of property, plant and equipment	(2,421.92)	670.80	-	(1,751.12)
Total deferred tax assets	**1,227.96**	**(155.24)**	**-**	**1,072.72**

Particulars	As at March 31, 2021	(Charged)/ Credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
Provision for doubtful debts / advances (net)	**399.32**	**177.62**	**-**	**576.94**
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	**1,454.18**	**(58.92)**	**-**	**1,395.26**
Unabsorbed depreciation	**970.34**	**(507.19)**	**-**	**463.15**
On difference between book balance and tax balance of property, plant and equipment	**(1,751.12)**	**93.35**	**-**	**(1,657.77)**
Total deferred tax assets	**1,072.72**	**(295.14)**	**-**	**777.57**

The Company has recognised the Deferred Tax Asset on unabsorbed depreciation of earlier years, provision for doubtful debts and disallowances under Section 35DDA, 40(a)(i) and 43B of the Income Tax Act, 1961.The Company has concluded that the deferred tax assets will be recoverable partially compensated by decrease in deferred tax liabilities and excess will be recovered using estimated future taxable income. Further, unabsorbed depreciation can be carried forward for infinite period as per tax regulations.

36(e) - Tax losses

The Company has not created deferred tax asset on the following tax losses:

Particulars		As at March 31, 2022	As at March 31, 2021
Short Term Capital Loss		-	455.93
Potential tax benefit @ 34.944%	(a)	-	159.32
Long Term Capital Loss		-	1,777.44
Potential tax benefit @ 23.30%	(b)	-	414.14
Unabsorbed brought forward depreciation / business losses		**37,323.04**	37,750.68
Potential tax benefit @ 34.944%	('c)	**13,042.16**	13,191.60
Minimum Alternate Tax	(d)	**2,702.53**	2,702.53
Total Potential tax benefit	[(a)+(b)+(c)+(d)]	**15,744.69**	**16,467.59**

The unused tax losses are not likely to generate taxable income in near future.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

36(f) - Unrecognised temporary differences

The Company has not recognised deferred tax asset/(liability) associated with fair value gains on Equity instruments measured at FVOCI as based on the management projection of future taxable income and existing plan, it is not probable that such difference will reverse in the foreseeable future.

36(g) - Income tax asset (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax asset [Net of provision of tax Rs.12,353.35 lakhs, (March 31, 2021: Rs.12,353.35 lakhs)]	**1,480.41**	1,080.93

36(h) - Income tax liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax liabilities [Net of advance tax Rs. 469.26 lakhs, (March 31, 2021: Rs. 469.26 lakhs)]	**20.59**	20.59

Note 37 - Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments in equity instruments other than subsidiary	**-**	**63,195.59**	**102.92**	-	44,245.79	85.42
Investments in mutual funds	**-**	**-**	**-**	-	69.67	-
Cash and bank balances	**-**	**-**	**8,978.41**	-	-	5,776.08
Loans	**-**	**-**	**0.52**	-	-	5.25
Security deposits	**-**	**-**	**1,771.60**	-	-	1,940.06
Bank deposits with more than 12 months maturity	**-**	**-**	**440.98**	-	-	508.44
Trade receivables	**-**	**-**	**25,415.77**	-	-	21,662.28
Others	**-**	**-**	**116.17**	-	-	87.13
Total financial assets	**-**	**63,195.59**	**36,826.37**	**-**	**44,315.46**	**30,064.66**
Financial liabilities						
Borrowings	**-**	**-**	**12,235.50**	-	-	14,777.53
Trade / Security deposits received	**-**	**-**	**1,686.51**	-	-	1,776.91
Trade payables	**-**	**-**	**34,672.85**	-	-	24,902.45
Trade payables for capital assets	**-**	**-**	**-**	-	-	7.32
Interest accrued but not due on borrowings	**-**	**-**	**24.31**	-	-	27.02
Interest accrued on others	**-**	**-**	**283.82**	-	-	283.82
Other advances	**-**	**-**	**1,291.81**	-	-	1,291.81
Unclaimed dividends	**-**	**-**	**19.84**	-	-	26.22
Total financial liabilities	**-**	**-**	**50,214.64**	**-**	**-**	**43,093.08**

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements	Level 1	Level 2	Total
As at March 31, 2022			
Quoted Equity investments measured at Fair value	63,195.59	-	63,195.59
As at March 31, 2021			
Quoted Equity investments measured at Fair value	44,245.79	-	44,245.79

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Financial Assets and Financial Liabilities measured at Amortised cost for which fair values are disclosed - Level 3	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Assets				
Investments in Government securities	**2.89**	**2.89**	2.89	2.89
Investments in Unquoted Shares	**100.03**	**100.03**	82.53	82.53
Security deposits	**311.40**	**311.40**	472.08	472.08
Bank deposits with more than 12 months maturity	**440.98**	**440.98**	508.44	508.44
Others	**0.55**	**0.55**	0.55	0.55
Liabilities				
Borrowings	**4,386.11**	**4,386.11**	6,009.48	6,009.48
Trade / Security deposits received	**1,686.51**	**1,686.51**	1,776.91	1,776.91
Other financial liabilities	**1,575.63**	**1,575.63**	861.71	861.71

The carrying amounts of cash and bank balances, trade receivables, short term loans and security deposits given, government grant receivable, trade payables, payable for capital assets, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the other unquoted equity investments is determined based on the report of the valuer
- the fair value of forward foreign exchange contracts is determined using foreign exchange rates at the balance sheet date.

(iii) Valuation processes

The finance department of the Company obtains assistance of independent and competent third party valuers to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This expert reports to the financial risk management team and Chief Financial Officer (CFO). Discussion of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs used by the Company are derived and evaluated as follows:

(a) Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(b) Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management committee.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the financial risk management team, CFO and the valuation experts. As part of this discussion the team presents a report that explains the reason for the fair value movements.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 38 - Share Based Payments

(a) Employee option plan

The Mafatlal Employee Stock Option Scheme 2017 (ESOS 2017) of Mafatlal Industries Limited was approved by the Board of Directors of the Company at their meeting held on May 5, 2017 and finalised on August 10, 2017. At the Annual General Meeting held on August 02, 2017, the shareholders had approved the creation of employee stock option pool of 6,95,000 equity shares of face value of Rs.10/- each fully paid up on such terms and such manner as the Board may decide in accordance with the provisions of applicable law and proposed Mafatlal Employee Stock Option Scheme 2017 (ESOS 2017). The Company intends to implement ESOS 2017 with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Nomination & Remuneration Committee(NRC) will administer the ESOS 2017. On November 10, 2017 the NRC has granted 1,38,000 options with a progressive vesting to certain senior management employees and the vesting of options will be @15% on 1st anniversary, 20% on 2nd anniversary, 30% on 3rd anniversary, 35% on 4th anniversary, of grant date. Once vested the options remain excerisable for a period of four years.

In addition to the above, the Nomination and Remuneration Committee had at their meeting held on August 1, 2019 approved the grant of 3,18,000 employee stock options to certain management cadre employees of the Company under ESOS. The options vest after completion of one year from the date of grant i.e. August 1, 2020. Vested options are excercisable for a period of four years after vesting.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is fair market price of the share as on date of grant of options.

Set out below is a summary of options granted under the plan

Particulars	As at March 31, 2022		As at March 31, 2021	
	Average exercise price per share option (Rs)	Number of options	Average exercise price per share option (Rs)	Number of options
Opening Balance				
Options granted on November 10, 2017	**322.70**	**48,000**	322.70	72,000
Options granted on August 01, 2019	**78.65**	**2,04,500**	78.65	3,18,000
Excercised during the year				
Options granted on August 01, 2019	**78.65**	**1,47,000**	78.65	11,500
Forfeited during the year				
Options granted on November 10, 2017	**322.70**	**10,000**	322.70	24,000
Options granted on August 01, 2019	**78.65**	**-**	78.65	1,02,000
Closing Balance				
Options granted on November 10, 2017	**322.70**	**38,000**	322.70	**48,000**
Options granted on August 01, 2019	**78.65**	**57,500**	78.65	**2,04,500**

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Vesting Date	Expiry Date	Exercise price (Rs.)	Share options March 31, 2022	Fair value of options (Rs.)
10-Nov-17	10-Nov-18	10-Nov-22	322.70	5,700	108.92
10-Nov-17	10-Nov-19	10-Nov-23	322.70	7,600	126.71
10-Nov-17	10-Nov-20	10-Nov-24	322.70	11,400	146.18
10-Nov-17	10-Nov-21	10-Nov-25	322.70	13,300	156.18
1-Aug-19	1-Aug-20	1-Aug-24	78.65	57,500	25.08
Total				**95,500**	

(i) Fair Value of options granted

The weighted average fair value at grant date (November 10, 2017) of options granted during the year ended March 31, 2022 was Rs. 140.20 per option (March 31, 2021: Rs.140.20) and for the additional options, the weighted average fair value at grant date (August 1, 2019) of options granted during the year ended March 31, 2022 was Rs. 25.08 per option (March 31, 2021: Rs.25.08). The fair value at grant date is determined using the Black and Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of option.

The model inputs for options granted on November 10, 2017 included:

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(a) options are granted for no consideration and vest upon completions of service for a period of 1-4 years. Vested options are excercisable for a period of four years after vesting.

(b) exercise price: Rs. 322.70

(c) grant date: November 10, 2017

(d) expiry date: November 10, 2022 - November 10, 2025

(e) share price at grant date: Rs. 314.10

(f) expected price volatility of the Company's shares: 48.32%-51.99%

(g) expected dividend yield: 1.69%

(h) risk free interest rate: 6.51% - 6.91%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on August 1, 2019 included:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are excercisable for a period of four years after vesting.

(b) exercise price: Rs. 78.65

(c) grant date: August 1, 2019

(d) expiry date: August 1, 2024

(e) share price at grant date: Rs. 78.65

(f) expected price volatility of the Company's shares: 42.29%

(g) expected dividend yield: 0%

(h) risk free interest rate: 5.97%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit and loss as part of employee benefits expense were as follows:-

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee option plan	**44.97**	24.18

Note 39 - Financial risk management

The Company's business activities exposes it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management and key management personnel have the ultimate responsibility for managing these risks. The Company has a mechanism to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's senior management and key management personnel are supported by the finance team and respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to protect the Company's financial results and position from financial risks; and maintain market risks within acceptable parameters, while optimising returns.

(A) Management of liquidity risk

The principal sources of liquidity of the Company are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. The Company is cognizant of reputational risk that are associated with the liquidity risk and such risk is factored into the overall business strategy. The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

As at March 31, 2022	Note	Carrying amount	Less than 12 months	1 year to 3 years	More than 3 years
Borrowings	**19, 22 and 24**	**12,235.50**	**7,849.40**	**4,379.79**	**6.31**
Interest accrued but not due on borrowings	**22**	**24.31**	**24.31**	**-**	**-**
Trade payables	**23**	**34,672.85**	**34,672.85**	**-**	**-**
Trade / Security deposits	**20 and 24**	**1,686.51**	**1,332.76**	**353.75**	**-**
Interest accrued on others	**20**	**283.82**	**-**	**283.82**	**-**
Other liabilities	**20 and 24**	**1,311.65**	**19.84**	**1,291.81**	**-**

As at March 31, 2021	Note	Carrying amount	Less than 12 months	1 year to 3 years	More than 3 years
Borrowings	19, 22 and 24	14,777.53	8,768.05	3,559.38	2,450.10
Interest accrued but not due on borrowings	22	27.02	27.02	-	-
Trade payables	23	24,902.45	24,902.45	-	-
Trade / Security deposits	20 and 24	1,776.91	1,391.41	385.50	-
Interest accrued on others	20	283.82	-	283.82	-
Other liabilities	20 and 24	1,318.03	740.14	577.89	-
Trade payables for capital assets	24	7.32	7.32	-	-

(B) Management of market risk

The size and operations of the Company result in it being exposed to the following market risks that arise from its use of financial instruments:

i) price risk

ii) interest rate risk

iii) commodity risk

iv) foreign exchange risk

The above risks may affect income and expenses, or the value of the financial instruments of the Company. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to and the management of these risks is explained below:

Potential impact of risk	Management policy	Sensitivity to risk
i) Price risk		
The Company is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of quoted equity instruments classified as fair value through Other Comprehensive Income as at March 31, 2022 is Rs.63,195.56 lakhs (March 31, 2021: Rs. 44,315.46 lakhs).	In order to manage its price risk arising from investments in equity instruments, the Company maintains its portfolio in accordance with the framework set by the Risk Management policies. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Risk Management Committee.	As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Company has calculated the impact as follows: For equity instruments, a 5% increase in Sensex prices would have led to an approximately additional Rs. 3,159.78 lakhs gain (March 31, 2021- Rs.2,215.77 lakhs). A 5% decrease in Sensex prices would have led to an equal but opposite effect.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Potential impact of risk	Management policy	Sensitivity to risk
ii) Interest rate risk		
a) Financial liabilities		
The Company is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. As at March 31, 2022 the exposure to interest rate risk due to variable interest rate borrowings amounted to Rs.8,141.25 lakhs (March 31, 2021: Rs. 14,377.53 lakhs)	The Company monitors fluctuations in interest rate continuously and has laid policies and guidelines including to minimise impact of interest rate risk.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 25 bps change in interest rates. A 25 bps increase in interest rates would have led to approximately an additional loss Rs. 20.35 lakhs (March 31, 2021: Rs. 35.94 lakhs additional loss). A 25 bps decrease in interest rates would have led to an equal but opposite effect.
iii) Foreign exchange risk		
The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency (INR) of the Company. The risk also includes highly probable foreign currency cash flows.	The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, GBP and AED. The aim of the Company's approach is to manage the currency risk and to leave the Company with no material residual risk. This aim has been achieved in all years presented.	As an estimation of the approximate impact of the foreign exchange rate risk, with respect to Financial Statements, the Company has calculated the following: For derivative and non-derivative financial instruments, a 5% increase in the spot price as on the reporting date would result in increase in profit and equity as of Rs. 51.85 lakhs (March 31, 2021: gain of Rs. 40.69 lakhs). A 5% decrease would have led to an equal but opposite effect.

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:-

As at March 31, 2022		As at March 31, 2021	
Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
Rs in lakhs	(Amount in Foreign currency) (in lakhs)	Rs in lakhs	(Amount in Foreign currency) (in lakhs)
Receivable			
619.43	**USD 8.17**	517.30	USD 7.08
599.82	**AED 29.07**	522.81	AED 26.26
Payable			
175.14	**USD 2.31**	217.04	USD 2.97
6.95	**GBP 0.07**	9.32	GBP 0.09

(C) Management of credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors and countries. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

In furtherance to above, the Company has assessed the impact of the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised in respect of trade receivables. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the micro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks. The Company has a diversified portfolio of investment with various number of counterparties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the treasury department of the Company.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in the Statement of Profit and Loss.

Note 40 - Capital Management

(a) Risk management

The Company's objectives when managing capital are to safeguard Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents and other bank balances. Total capital is calculated as 'equity' as shown in the balance sheet .

Description	As at March 31, 2022	As at March 31, 2021
Total Equity (A)	**68,594.60**	**46,663.03**
Non-Current Borrowings	**4,386.11**	6,009.48
Current Borrowings	**7,849.39**	8,768.05
Gross Debt (B)	**12,235.50**	**14,777.53**
Gross Debt as above		
Less: Cash and Cash Equivalents	**5,285.64**	3,529.22
Less: Other balances with bank	**3,692.77**	2,246.86
Less: Other non-current bank balances with maturity more than 12 months	**440.98**	508.44
Net Debt (C)	**2,816.11**	**8,493.01**
Net Debt to Equity (C/A)	**0.04**	**0.18**

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Compensated Absences (Refer Note 25)	**325.97**	313.29
Gratuity (Refer Note 25)	**883.54**	757.79
Total	**1,209.51**	**1,071.08**

(i) Compensated Absences

The employees of the Company are entitled to compensated absences as per the policy of the Company. The entire amount of the provision of compensated absences is presented as current, since the Company does not have an unconditional right to defer settlement for the obligation. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2022	As at March 31, 2021
Current leave obligations not expected to be settled within the next 12 months	**290.91**	258.34

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Post employment obligations

(a) Defined Contribution Plans:

The Company contributes towards Employees State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognised contribution to these funds aggregating to Rs. 263.00 lakhs (March 31, 2021- Rs. 273.54 lakhs) (Refer Note 31).

(b) Defined Benefit Plans:

Gratuity

The Company provides for gratuity for employees as per the Company policy. The amount of gratuity payable on retirement / termination is payable to the employees based on last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company has established Fund to which the Company makes contribution for certain employees whereas for some other employees the Company makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.The contributions are made based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method. The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability which are recognised in other comprehensive income.

Provident fund

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Company. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

GRATUITY

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2020	2,757.79	2,048.86	708.92
Interest Expense/(Income)	188.64	140.15	48.49
Current Service Cost	129.73	-	129.73
Total Amount Recognised in Profit and Loss	**318.37**	**140.15**	**178.22**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/ (income)	-	31.05	(31.05)
(Gain) / loss from change in demographic assumptions / acturial gains / losses	21.84	-	21.84
(Gain) / loss from change in financial assumptions	54.48	-	54.48
Experience (gains) / losses	(54.48)	-	(54.48)
Total Amount Recognised in Other Comprehensive Income	**21.84**	**31.05**	**(9.21)**
Employer Contributions	1.56	110.85	(109.29)
Benefit Payments	(1,449.77)	(1,438.91)	(10.86)
Balance as on March 31, 2021	**1,649.79**	**892.00**	**757.79**

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2021	**1,649.79**	**892.00**	**757.79**
Interest Expense / (Income)	**264.60**	**59.02**	**205.58**
Current Service Cost	**83.52**	**-**	**83.52**
Total Amount Recognised in Profit and Loss	**348.12**	**59.02**	**289.10**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/ (income)	**-**	**8.29**	**(8.29)**
(Gain) / loss from change in demographic assumptions / acturial gains / losses	**(1.26)**	**-**	**(1.26)**
(Gain) / loss from change in financial assumptions	**21.64**	**-**	**21.64**
Experience (gains)/losses	**96.58**	**-**	**96.58**
Total Amount Recognised in Other Comprehensive Income	**116.96**	**8.29**	**108.67**
Employer Contributions	**-**	**272.02**	**(272.02)**
Benefit Payments	**(310.42)**	**(310.42)**	**-**
Balance as on March 31, 2022	**1,804.45**	**920.91**	**883.54**

PROVIDENT FUND

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2020	**2,054.53**	**2,174.95**	**(120.42)**
Opening Balance adjustment	(17.23)	(24.89)	7.66
Interest Expense / (Income)	169.55	169.55	-
Current Service Cost	64.68	-	64.68
Employee Contributions	92.56	157.24	(64.68)
Return on plan assets	-	(20.36)	20.36
Benefit Payments	(578.35)	(578.35)	-
Balance as on March 31, 2021*	**1,785.74**	**1,878.14**	**(92.40)**

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2021	**1,785.74**	**1,878.14**	**(92.40)**
Opening Balance adjustment	24.98	(53.74)	78.72
Interest Expense / (Income)	134.18	134.18	-
Current Service Cost	59.22	-	59.22
Contributions	82.74	141.97	(59.23)
Return on plan assets	-	50.46	(50.46)
Benefit Payments	(395.90)	(395.90)	-
Balance as on March 31, 2022*	**1,690.96**	**1,755.11**	**(64.15)**

* Excess of the asset over liability is not recognised in the financial statements

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Following tables show breakdown of the defined benefit obligations and plan assets:

GRATUITY

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Obligations	**1,804.45**	1,649.79
Fair Value of Plan Assets	**920.91**	892.00
Net (Asset) / Liability	**883.54**	**757.79**

PROVIDENT FUND

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Obligations	**1,690.96**	1,785.74
Fair Value of Plan Assets	**1,755.11**	1,878.14
Net (Asset) / Liability*	**(64.15)**	**(92.40)**

* Excess of the asset over liability is not recognised in the financial statements

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate / Return on plan assets		
Gratuity	**7.15%**	6.86%
Guaranted Return		
Provident fund	**8.10%**	8.50%
Rate of salary increase		
Gratuity	**5.00%**	4.50%
Rate of employee turnover		
Gratuity	**3.00%**	3.00%
Mortality rate during employment	**Indian assured lives mortality (2012-14) (Urban)**	Indian assured lives mortality (2006-08)

Sensitivity Analysis

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

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate / Return on plan assets				
Gratuity	**(56.47)**	(55.15)	**59.71**	58.35
Rate of salary increase				
Gratuity	**60.67**	59.42	**(57.86)**	(56.62)
Rate of employee turnover				
Gratuity	**6.17**	8.73	**(6.48)**	(9.15)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plans assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') and Trust managed by the Fund as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(iv) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. 100% of the plan asset investments is in insurer managed funds. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level.

Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation.

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2023 are Rs.167.78 lakhs.

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2021-8 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2022	As at March 31, 2021
1st Following Year	**69.86**	87.50
2nd Following Year	**175.64**	117.17
3rd Following Year	**168.45**	79.56
4th Following Year	**140.33**	79.58
5th following year	**320.48**	182.97
Sum of 6th to 10th Following Year	**974.84**	953.24

Note 42 - Related party transactions

I Name of related parties and nature of relationship:

A) **Subsidiary Companies**

Mafatlal Services Limited

Vrata Tech Solutions Private Limited

B) **Key Management Personnel**

H. A. Mafatlal (Executive Chairman)

Priyavrata H. Mafatlal (Son of Shri H. A. Mafatlal) [Managing Director and Chief Executive Officer (CEO) till March 31, 2022] (Managing Director w.e.f. April 1, 2022)

M.B. Raghunath (CEO w.e.f. April 1, 2022)

Atul K. Srivastava (Non Executive Independent Director)

Vilas R. Gupte (Non Executive Independent Director)

Pradip N. Kapadia (Non Executive Independent Director)

Latika P. Pradhan (Non Executive Independent Director)

Gautam G. Chakravarti (Non Executive Independent Director)

Sujal A. Shah (Non Executive Independent Director)

C) **Individual having significant influence**

H. A. Mafatlal

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

D) **Enterprises over which key management personnel and their relatives are able to exercise significant influence (with whom transactions have taken place)**

NOCIL Limited

Gayatri Pestichem Manufacturing Private Limited

MAF Technologies Private Limited (w.e.f. November 27, 2020)

E) **Enterprises over which individual having significant influence and relatives of such individual are able to exercise significant influence (with whom transactions have taken place).**

Sumil Trading Private Limited

Intensive Clothing Care Unit

F) **Post employment benefit plan**

The Mafatlal Gagalbhai & Sons and the Associate Concerns Officer's Superanuation Scheme

Mafatlal Industries Limited - Employees Gratuity Fund

Mafatlal Industries Limited - Employees Provident Fund

Mafatlal Denim Limited - Employees Provident Fund**

Mafatlal Denim Limited - Employees Superannuation Fund**

*** No transactions during the year.*

II Transactions with related parties

The following transactions occurred with related parties:

A) Key Management personnel compensation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Directors Remuneration		
Short-term employee benefits		
Priyavrata H. Mafatlal	**126.92**	58.65
Post-employment benefits	*	*
Long-term employee benefits	*	*
Directors' sitting fees		
Latika P. Pradhan	**11.20**	8.70
Atul K. Srivastava	**7.70**	8.20
Pradip. N. Kapadia	**11.20**	8.20
Gautam G. Chakravarti	**12.60**	10.70
Sujal A. Shah	**10.50**	8.70
Vilas. R. Gupte	**11.90**	8.70
Total compensation	**192.02**	**111.85**

**Compensation excludes provision for gratuity, provident fund and compensated absences since these are based on actuarial valuation on an overall company basis.*

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

B) Transactions during the year / previous year:

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(i)	**Sale of Goods and Services**		
	Sumil Trading Private Limited	**60.68**	0.04
(ii)	**Other Operating Revenues**		
	NOCIL Limited	**7.05**	4.83
(iii)	**Dividend Income**		
	NOCIL Limited	**505.18**	-
(iv)	**Purchase of goods and services (Expense)**		
	Sumil Trading Private Limited	**1,310.11**	229.58
	Mafatlal Services Limited	**9.61**	11.26
	Vrata Tech Solutions Private Limited	**148.81**	2.21
(v)	**Reimbursement of expenses**		
	Vrata Tech Solutions Private Limited	**3.93**	5.39
	MAF Technologies Private Limited	**-**	20.46
(vi)	**Lease and License Fees**		
	Vrata Tech Solutions Private Limited	**1.84**	1.19
	Gayatri Pestichem Manufacturing Private Limited	**0.13**	0.13
	Sumil Trading Private Limited	**2.65**	3.00
	Intensive Clothing Care Unit	**2.72**	-
(vii)	**Payment for Post employment benefit plan**		
	The Mafatlal Gagalbhai & Sons and the associate concerns officer's superanuation scheme	**145.45**	16.99
	Mafatlal Industries Limited Employees Gratuity Fund	**272.02**	110.85
	Mafatlal Industries Limited Employees Provident Fund	**141.97**	157.24

C) Balances as at year-end

Particulars		As at March 31, 2022	As at March 31, 2021
(i)	**Amount due from**		
	Trade and other receivables:		
	NOCIL Limited	**1.81**	-
	Vrata Tech Solutions Private Limited	**-**	3.86
	Intensive Clothing Care Unit	**0.51**	-
(ii)	**Advances to Suppliers**		
	Vrata Tech Solutions Private Limited	**6.93**	-
(iii)	**Amount due to**		
	Trade and other payables:		
	Sumil Trading Private Limited	**459.95**	220.88
	Mafatlal Services Limited	**1.65**	1.17
	NOCIL Limited	**-**	0.60
(iv)	**Investments in Related Parties**		
	NOCIL Limited (FVOCI)	**63,008.75**	44,102.32
	Vrata Tech Solutions Private Limited (Amortised cost)	**45.00**	45.00
	Mafatlal Services Limited (Amortised cost)	**27.50**	27.50

Terms and conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 43 - Contingent liabilities and contingent assets

(a) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Matters	**2,578.00**	2,529.91
Central excise, sales tax and related matters	**240.55**	240.55
Central excise and service tax matters	**2,960.55**	2,960.55
Labour Law matters	**173.64**	158.87
Director General of Foreign Trade matters	**4.79**	4.79
Total	**5,957.53**	**5,894.67**

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

In case of Mafatlal Centre:

A demand for Rs. 2,696.98 lakhs (March 31, 2021: Rs. 2,696.98 lakhs) for the period from 2004-07 and 2008-10 was raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by various owners for the respective floors. The demand has been challenged by owners of various floors at appropriate forum and the matter is subjudice. In case the demand is finally upheld, the amount will be paid by the concerned co-owners and the Company will have no additional liability.

In case of Mafatlal Chambers:

A demand for Rs. 792.46 lakhs (March 31, 2021: Rs. 792.46 lakhs) for the period 2000-05 has been raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by the Company at the relevant time. The said demand has been disputed by the Company. As per the directions given by the Honourable Bombay High Court, the BMC has granted hearing to the Company and the final outcome is awaited.

(c) It is not practicable for the Company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(d) The Company does not expect any reimbursement in respect of the above contingent liabilities.

(e) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(f) Contingent liability relating to determination of provident fund liability, based on judgement from Hon'ble Supreme Court, is not determinable at present for the period prior to March, 2019, due to uncertainty of the impact of the judgement in the absence of further clarification relating to applicability. The Company has paid Provident Fund to employees as applicable with effect from March 2019. The Company will continue to assess any further developments in this matter for its implication on the financial statements, if any.

Note 44 - Commitments

Operating Lease - Company as lessor

The Company has entered into non-cancellable operating lease arrangements for certain office premises. The tenure of such agreements ranges from eleven to sixty months (Refer Note 4).

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**247.44**	206.53
Later than one year but not later than five years	**298.31**	224.99
Total	**545.75**	**431.52**

The rental income from investment properties given on lease of Rs. 359.03 lakhs (March 31, 2021: Rs. 292.74 lakhs) has been disclosed in Note 28(a) - Other income to the Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Operating Lease - Company as Lessee

Amounts recognised in the Statement of Profit and Loss as as follow:

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Depreciation expense of Right-of-use assets	3(b)(i), 33	-	66.83
Expense relating to short-term leases (included in other expenses)	34	9.06	27.50

The total cash outflow for leases for the year ended March 31, 2022 was Rs. 9.06 lakhs (March 31, 2021: Rs. 94.33 lakhs), including short term lease payments.

Note 45 - Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM consists of Chairman, Managing Director and CEO who are responsible for allocating resources and assessing performance of the operating segments. The Company operates only in one Business Segment i.e. textile business segment, hence does not have any other reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from Operations	94,827.49	3,884.44	98,711.93	56,289.19	3,930.30	60,219.49

Segment Assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Within India	Outside India	Within India	Outside India
Non-current assets excluding financial assets, investment in a subsidiary, deferred tax assets and income tax assets	9,706.20	-	12,252.64	-

The Company has revenue of more than 10% from the Directorate of Food and Consumer Affairs, Jharkhand amounting to Rs. 37,231.00 lakhs during the current year.

Note 46 - Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic and Diluted Earnings / (Loss) Per Share		
Profit / (Loss) after taxation	2,929.11	(9,375.42)
Weighted average number of shares for Basic EPS (Nos.)	1,39,92,085	1,39,14,803
Weighted average number of shares for Diluted EPS (Nos.)	1,40,25,333	1,39,14,803
Nominal Value of shares outstanding	10	10
Basic Earnings / (Loss) Per Share	20.93	(67.38)
Diluted Earnings / (Loss) Per Share	20.88	(67.38)
Weighted average number of shares used as the denominator		
Opening Balance	1,39,24,386	1,39,12,886
Issued during the year	1,47,000	11,500
Closing Balance	1,40,71,386	1,39,24,386
Weighted average number of shares used as the denominator for calculating basic and diluted earnings per share	1,39,92,085	1,39,14,803

Note 47 - Government Grant

Export Promotion Capital Goods (EPCG): This scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on such capital goods. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as a Capital Grant as stated in the Accounting policy on Government Grant (Refer note 2).

Technology Upgradation Fund Scheme (TUFS): The Company is entitled to subsidy, on its investment in the property, plant and equipment, on fulfilment of the conditions stated in the Scheme.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Duty Drawback Scheme: Under Duty drawback scheme, the Company receives certain percentage of export proceeds as a duty drawback from custom authorities on export of products.

Incremental Incentive Scheme: Under incremental incentive scheme, Company receives scrips for incremental exports.

These subsidies being Government grant with primary condition as export of products are accounted as a revenue grant as stated in the accounting policy on Government grant (Refer note 2).

The Government Grant above represents unamortised amount of the subsidy referred below, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer note 3).

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**401.49**	531.67
Grants during the year	**-**	-
Less: Released to Statement of Profit and Loss [Refer Note 28(a)]	**(130.18)**	(130.18)
Closing balance	**271.31**	**401.49**

Description	As at March 31, 2022	As at March 31, 2021
Current portion (Refer Note 26)	**130.18**	130.18
Non-current portion (Refer Note 21)	**141.13**	271.31
Total	**271.31**	**401.49**

Note 48(a) - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Current			
Financial Assets			
First and Second Charge			
Trade receivables	11	**25,353.59**	21,453.51
Deposits with bank	13	**170.88**	-
Non-Financial Assets			
Inventories	10	**7,195.88**	2,446.96
Assets held for sale	17	**-**	68.23
Total Current assets pledged as security		**32,720.35**	**23,968.70**
Non-Current			
First and Second Charge			
Financial Assets			
Investments	6	**12,568.18**	11,335.14
Deposit with bank	8	**82.50**	40.98
Non-Financial Assets			
Land	3(a)	**5.23**	8.45
Building	3(a)	**232.21**	1,799.22
Plant and Machinery	3(a)	**7,469.35**	8,623.65
Investment Property	4	**229.44**	225.77
Vehicles	3(a)	**83.43**	58.35
Total Non-Current assets pledged as security		**20,670.34**	**22,091.56**
Total assets pledged as security		**53,390.69**	**46,060.26**

Note 48(b) - Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns of statements of current assets filed by the Company with banks are in agreement with the books of accounts, except for the following statements in the table below:-

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Quarter	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
June, 2021	ICICI bank	Trade receivables	15,628.97	13,089.67	2,539.30	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,539.30 lakhs
September, 2021	ICICI bank	Trade receivables	27,842.34	25,313.85	2,528.49	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,528.49 lakhs
December, 2021	ICICI bank	Trade receivables	16,615.29	14,866.10	1,749.19	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,606.95 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 857.76 lakhs)
December, 2021	ICICI bank	Inventories	3,000.14	2,308.31	691.83	Period-end revenue cut-off adjustment procedures
March, 2022	ICICI bank	Trade receivables	22,057.15	20,966.37	1,090.78	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,505.10 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 1,414.32 lakhs)
March, 2022	ICICI bank	Inventories	2,636.34	1,388.00	1,248.34	Period-end revenue cut-off adjustment procedures

Note 48(c) - Satisfaction of Charges yet to be registered with ROC

The satisfaction of following charges are yet to be registered with the Registrar of Companies beyond the statutory period:

Charge ID	Name of bank	Asset under charge	Charge amount	Date of Creation	Date of Satisfaction	Reason for delay
100104569	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	25,01,000	28 April 2017	22 October 2019	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
100071257	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	9,29,000	22 December 2016	27 December 2019	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10611905	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	13,29,000	30 December 2015	11 May 2021	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10611746	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	9,56,000	23 December 2015	27 December 2019	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10596641	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	23,00,000	06 October 2015	27 December 2019	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10590780	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	39,90,000	27 August 2015	11 April 2019	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10585411	The Shamrao Vitthal Co-operative Bank Limited	Vehicle	7,67,167	13 July 2015	26 September 2017	The Company has repaid the loan and is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.
10619623	Indusind Bank Limited	Raw material warehousing facility	10,00,00,000	28 December 2015	13 May 2018	The Company is in the process of getting the NOC from the bank. Subsequently, the Company will be filing the satisfaction of charge with the ROC.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 49

The economic activities were severely disrupted, in India as well as globally owing to the Covid-19 pandemic. The Management had carried out a detailed assessment of the impact of Covid -19, after taking into consideration various internal and external information available, on its business operation, liquidity position and on recoverability of carrying value of assets including property, plant and equipment, investment properties, assets held for sale, inventories, investments, trade receivables and deferred tax assets. Based on assessment of the management, an adequate provision for doubtful debts and slow moving / non-moving inventory has been recognised (Refer note 35). The Company will continue to monitor any material changes to future economic conditions.

Note 50

(i) As legally advised, the Company has not recognised as income recovery of rent and other charges of Rs. 83.61 lakhs upto March 31, 2022 (Rs. 83.61 lakhs upto March 31, 2021) pending final resolution of legal dispute with certain ex-tenants of a property in South Mumbai. At present, the legal dispute is pending with the Hon'ble Bombay High Court. A sum of Rs. 577.89 lakhs (Net) was withdrawn by the Company in accordance with the Orders passed by the Hon'ble High Court of Bombay on the Civil Revision Applications filed by the ex-tenants and the said amount of Rs. 577.89 lakhs has been included in other non-current liabilities.

(ii) In an earlier year, the Company had sold part of its leasehold land at its Mazgaon unit. During prior years, the Company has surrendered the remaining leasehold land (reserved portion admeasuring about 27,287.82 square meters) to Municipal Corporation of Greater Mumbai for the purpose of extension of V.J.B. Udyan. The Company is also required to recommence the spinning unit which can accommodate 10,000 spindles. By virtue of the agreement, the developer will construct a structure and hand it over to the Company.

(iii) Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Company are to be issued one equity share of Rs.10/- each, fully paid-up, in SSL for every 500 shares of Rs. 100/- each, fully paid-up, held in the Company as consideration for the demerger, aggregating to Rs.1.00 lakh. As the shareholders of the Company would be entitled to receive only fractional shares of SSL, the rehabilitation scheme sanctioned by BIFR envisages that these shares would be acquired by Navin Fluorine International Limited (NFIL) and the shareholders of the Company would receive proportionate payment in consideration thereof. The Company has received the said amount of Rs. 1.00 lakh from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities.

(iv) During the financial year ended March 31, 2022 there is no change in the status of the litigation in respect of Company's entitlement for Transfer of Development Rights against surrender of part of leasehold land at Mazagaon to Municipal Corporation of Greater Mumbai as compared to year ended March 31, 2019.

Note 51 - Details of Research and Development
Details of research and development expenditure recognised as expense:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expense	**70.50**	45.36
Consumables	**2.15**	1.81
Repairs and Maintenance	**3.83**	1.20
Total	**76.48**	**48.37**

Note 52 - Financial ratios
The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for variance
Current Ratio (times)	Current Assets	Current Liabilities	**0.98**	0.86	13.62%	Not applicable as the variance is less than 25% as compared to the previous financial year.
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	**0.16**	0.32	48.53%	Debt reduced with significant repayment during the financial year and improvement in profitability which led to increase in shareholder's equity.
Debt service coverage ratio (times)	Earnings available for debt service	Debt Service	**1.21**	(0.67)	282.05%	Change is on account of increase in EBIDTA by Rs. 8,779.75 Lakhs compared to previous Financial Year. EBIDTA increase is led by reduction in fixed costs, improvement in operations and monetization of certain assets.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for variance
Return on equity ratio (%)	Profit / (Loss) after taxes	Average Shareholder's Equity	**5.08%**	(24.96%)	120.36%	Change is result of increase in Profit after tax by Rs. 12,304.53 Lakhs. Profit after tax increase is led by reduction in fixed costs, improvement in operations and monetization of certain assets.
Inventory turnover ratio (times)	Revenue from operations	Average Inventory	**20.47**	9.23	121.88%	Change In Inventory Turnover Ratio is due to reduction in average Inventory holding period.
Trade receivables turnover ratio (times)	Revenue from Operations	Average Trade Receivable	**4.19**	2.56	64.10%	Change In Trade Receivable Turnover Ratio is due to reduction in average Credit period.
Trade payables turnover ratio (times)	Total Purchases [Refer Note below]	Average Trade Payables	**2.91**	1.66	75.51%	Change In Trade Payable Turnover Ratio is due to reduction in average Credit period.
Net capital turnover ratio (times)	Revenue from Operations	Working Capital (Current assets - Current liabilities)	**(95.49)**	(10.76)	(787.43%)	The change in ratio is due to increase in turnover compared to previous year, and increase in net working capital.
Net profit ratio (%)	Profit After Tax (PAT)	Revenue from Operations	**2.97%**	(15.57%)	119.06%	The net profit ratio has improved on account of reduction in fixed costs, improvement in operations and monetization of certain assets resulting in increase in profits as compared to the previous financial year.
Return on capital employed (%)	Earnings Before Interest and Tax before exceptional items	Capital Employed (Shareholder's Equity + borrowings)	**7.64%**	(4.58%)	266.79%	Change is on account of increase in EBIT by Rs. 8,917.74 Lakhs compared to previous Financial Year on account of reduction in fixed costs, improvement in operations and monetization of certain assets.
Return on investment (%)	Earnings Before Interest and Tax before exceptional items	Average total assets	**5.63%**	(3.20%)	276.03%	Change is on account of increase in EBIT by Rs. 8,917.74 Lakhs as well as increase in total assets during the year with surge in operation. EBIT increase is led by reduction in fixed costs, improvement in operations and monetization of certain assets.

Note: - Total purchases = Purchase of Raw Materials + Purchase of stock-in-trade + Purchase of stores and spares

Note: 53 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes forming part of the Standalone Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(v) Valuation of Property, plant and equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

(x) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Note 54: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

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

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

H. A. Mafatlal Chairman (DIN:00009872)	**P. H. Mafatlal** Managing Director (DIN:02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary
Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Mafatlal Industries Limited

Report on the audit of the consolidated financial statements

Opinion

1. We have audited the accompanying consolidated financial statements of Mafatlal Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), [refer Note 53 to the attached consolidated financial statements], which comprise the Consolidated Balance Sheet as at March 31 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement Of Changes in Equity and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 51 to the consolidated financial statements, which describes the management's assessment of the impact consequent to outbreak of Coronavirus (Covid-19) on the business operations of the Company. In view of highly uncertain economic environment, a definitive assessment of the impact in the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	**How our audit addressed the key audit matter**
Assessment of recoverability of deferred tax assets: Refer Note 36(d) to the consolidated financial statements. The Holding Company has recognised Deferred Tax Assets (DTA) on temporary differences and unabsorbed depreciation as it is considered to be recoverable based on the Holding Company's projected taxable profits in the forecast period. The carrying value of DTA (net) is Rs. 787.45 lakhs as at March 31, 2022. We considered this a key audit matter because significant judgement is required by the Holding Company in determining the recoverability of DTA recognised on unabsorbed depreciation as the realisation of tax benefits is dependent on future taxable profits and there are inherent uncertainties involved in forecasting such profits	Our audit procedures included the following: • Evaluation of the design and testing operating effectiveness of Holding Company's controls relating to the assessment of carrying amount of deferred tax assets. • Assessed the appropriateness of the Company's accounting policy in respect of recognizing deferred tax assets on unabsorbed depreciation and temporary differences. • Obtained the future taxable profit projections prepared by the management and performed enquiries to understand the assumptions used in such preparation. • Assessed the appropriateness of tax rate applied to the taxable profit forecasts. • Evaluated whether the tax losses, on which deferred tax asset is recognised, has been assessed by the tax authorities and is available for utilisation in accordance with the provisions of the Income tax Act, 1961. • Verified the mathematical accuracy of the calculations underlying the profit projections. • Assessed the adequacy of disclosures made in the financial statements with regard to deferred taxes. • Verified the Income tax computation for the current year resulting in a reversal of the deferred tax assets from previous year. Based on the above procedures, the management's assessment of recoverability of deferred tax assets was considered to be reasonable.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), 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

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 301.84 lakhs and net assets of Rs. 105.48 lakhs as at March 31, 2022, total revenue of Rs. 527.05 lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. 63.56 lakhs and net cash flows amounting to Rs. 65.04 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

    Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these consolidated financial statements.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    (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 and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on April 1, 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group - Refer Notes 43 and 52 to the consolidated financial statements;

        ii. The Group was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2022;

        iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India;

        iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

        v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year.

18. The Group has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 22109553AJUMRG8348

Place: Mumbai
Date: May 28, 2022

Annexure A to Independent Auditor’s Report

Referred to in paragraph 17(f) of the Independent Auditor’s Report of even date to the members of Mafatlal Industries Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Mafatlal Industries Limited (hereinafter referred to as “the Holding Company”) as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to subsidiary companies incorporated in India namely, Mafatlal Services Limited and Vrata Tech Solutions Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management’s Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company which is a company incorporated in India, is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, has in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. Also refer paragraph 4 of our audit report.

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

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 22109553AJUMRG8348

Place: Mumbai
Date: May 28, 2022

Consolidated Balance Sheet as at March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	**9,285.94**	10,949.51
Right-of-use assets	3(b)(i)	**102.49**	-
Investment properties	4	**235.65**	995.41
Intangible assets	5	**141.28**	241.58
Financial assets			
i. Investments	6	**63,295.36**	44,327.70
ii. Trade Receivables	11(a)	**-**	33.20
iii. Other financial assets	8	**765.58**	981.07
Deferred tax assets (Net)	36(d)	**787.45**	1,072.72
Other non-current assets	9	**53.39**	69.10
Income tax asset (Net)	36(g)	**1,510.44**	1,085.49
Total non-current assets		**76,177.58**	**59,755.78**
Current assets			
Inventories	10	**7,197.59**	2,446.96
Financial assets			
i. Investments	7	**3.15**	73.18
ii. Trade receivables	11(b)	**25,444.19**	21,671.52
iii. Cash and cash equivalents	12	**5,369.00**	3,547.52
iv. Bank balances other than (iii) above	13	**3,699.77**	2,253.86
v. Loans	14	**0.52**	5.25
vi. Other Current financial assets	15	**1,575.89**	1,554.56
Other current assets	16	**2,871.71**	3,033.30
Assets held for sale	17	**0.13**	68.33
Total current assets		**46,161.95**	**34,654.48**
TOTAL ASSETS		**1,22,339.53**	**94,410.26**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18(a)	**1,407.07**	1,392.37
Other equity	18(b)		
i. Reserves and surplus		**7,901.46**	4,908.15
ii. Other reserves		**59,298.59**	40,348.05
Equity attributable to owners of Mafatlal Industries Limited		**68,607.12**	**45,256.20**
Non Controlling Interest	49(b)	**23.11**	4.69
Total equity		**68,630.23**	**46,653.26**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	**4,386.11**	6,009.48
ii. Lease liabilities	3(b)(ii)	**79.27**	-
iii. Other financial liabilities	20	**1,934.17**	1,251.99
Other non-current liabilities	21	**141.13**	271.31
Total non-current liabilities		**6,540.68**	**7,532.78**
Current liabilities			
Financial liabilities			
i. Borrowings	22	**6,816.14**	8,795.07
ii. Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises; and		**1,026.73**	767.32
- total outstanding dues of creditors other than micro enterprises and small enterprises		**33,661.94**	24,132.90
iii. Lease liabilities	3(b)(ii)	**25.80**	-
iv. Other financial liabilities	24	**2,410.16**	2,138.87
Provisions	25	**1,251.18**	1,077.44
Other current liabilities	26	**1,387.88**	2,984.52
Income tax liabilities (Net)	36(h)	**20.59**	20.59
Liabilities directly associated with assets held for sale		**568.20**	307.51
Total current liabilities		**47,168.62**	**40,224.22**
Total liabilities		**53,709.30**	**47,757.00**
TOTAL EQUITY AND LIABILITIES		**1,22,339.53**	**94,410.26**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	27	**99,079.71**	60,287.07
Other income	28(a)	**1,707.31**	1,497.85
Other gains / (losses) (Net)	28(b)	**4,728.68**	2,067.11
Total income		**1,05,515.70**	**63,852.03**
Expenses			
Cost of materials consumed	29	**17,550.93**	7,631.93
Purchases of stock-in-trade		**66,235.69**	38,187.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	**(4,393.76)**	6,949.74
Employee benefits expense	31	**4,459.10**	4,986.92
Finance costs (Net)	32	**1,863.05**	2,210.27
Depreciation and amortisation expense	33	**1,576.51**	1,705.16
Other expenses	34	**14,056.63**	7,228.65
Total expenses		**1,01,348.15**	**68,899.81**
Profit / (Loss) before exceptional items and tax		**4,167.55**	**(5,047.78)**
Exceptional items	35	**(1,016.72)**	(4,083.38)
Profit / (Loss) before tax		**3,150.83**	**(9,131.16)**
Income tax expense			
- Current tax	36(a)	**-**	-
- (Short) provision of tax for earlier years		**-**	(110.41)
- Deferred tax (charge)	36(a)	**(285.26)**	(155.24)
Total tax expense (net)		**(285.26)**	**(265.65)**
Profit / (Loss) for the year		**2,865.57**	**(9,396.81)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Changes in fair value of FVOCI equity instruments	18(b)	**18,950.54**	27,540.10
- Remeasurements of post-employment benefit obligations (charge) / credit	41	**(108.67)**	9.21
Total Other Comprehensive Income for the year		**18,841.87**	**27,549.31**
Total comprehensive income for the year		**21,707.44**	**18,152.50**
Profit / (Loss) is attributable to			
Owners of Mafatlal Industries Limited		**2,876.30**	(9,396.81)
Non Controlling Interest		**(10.73)**	-
		2,865.57	**(9,396.81)**
Other comprehensive income is attributable to			
Owners of Mafatlal Industries Limited		**18,841.87**	27,549.31
Non Controlling Interest		**-**	-
		18,841.87	**27,549.31**
Total comprehensive income is attributable to			
Owners of Mafatlal Industries Limited		**21,718.17**	18,152.50
Non Controlling Interest		**(10.73)**	-
		21,707.44	**18,152.50**
Earnings / (Loss) per equity share of Rs. 10/- each	46		
Basic		**20.48**	(67.53)
Diluted		**20.43**	(67.53)

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Consolidated Cashflow Statement for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before tax	**3,150.83**	(9,131.16)
	Adjustments for:		
	Employee share-based payment expense	**47.60**	24.18
	Depreciation and amoritsation expense	**1,576.51**	1,705.16
	Impairment losses of Property, plant and equipment	**-**	675.11
	Finance costs (Net)	**1,863.05**	2,210.27
	Net gain on disposal of Property plant and equipment and investment property	**(4,692.45)**	(2,118.62)
	Interest income on financial assets at amortised cost	**(185.82)**	(117.41)
	Apportioned income from Government grant	**(130.18)**	(130.18)
	Dividend income from equity investments designated at fair value through other comprehensive income	**(511.22)**	(4.83)
	Rental income from investment properties	**(359.03)**	(292.74)
	Utility / business service / air-conditioning charges and other receipts in respect of investment property	**(411.07)**	(635.02)
	Liabilities / provisions no longer required written back	**(42.80)**	(218.86)
	Bad Debts written off	**261.57**	8.34
	Advances written off	**40.10**	-
	Provision for doubtful debts / (written back)	**(392.28)**	246.31
	Provision for doubtful deposits	**98.79**	-
	Net unrealised exchange loss / (gain)	**(17.69)**	63.69
	Operating profit / (loss) before working capital changes	**295.91**	**(7,715.76)**
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	**(4,750.63)**	8,158.73
	Trade receivables	**(3,591.07)**	3,485.27
	Current Loans	**4.73**	9.38
	Other current financial assets	**(120.12)**	(880.93)
	Other non-current financial assets	**148.03**	8.55
	Other bank balances	**(1,445.91)**	(1,362.38)
	Other non-current assets	**15.18**	7.59
	Other current assets	**121.49**	1,004.56
	Adjustments for increase / (decrease) in operating liabilities:		
	Other non-current financial liabilities	**682.18**	645.83
	Trade and other payables	**9,831.31**	(6,283.60)
	Other current financial liabilities	**271.29**	527.01
	Current provisions	**65.07**	(215.11)
	Other current liabilities	**(1,596.64)**	2,893.24
	Changes in working capital	**(365.09)**	**7,998.14**
	Cash (used in) / generated from operations	**(69.18)**	**282.38**
	Net income tax (paid) / refunds	**(424.95)**	389.47
	Net cash (outflow) / inflow from operating activities	**(494.13)**	**671.85**

(All amounts in ₹ Lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
B.	**Cash flow from investing activities**		
	Purchase of Property, plant and equipment	**(440.16)**	(154.53)
	Proceeds from disposal of investment properties	**2,000.00**	1,999.05
	Proceeds from disposal of Property, plant and equipment / Assets held for sale	**4,409.15**	123.07
	Purchase of investments	**(17.50)**	(20.00)
	Proceeds from sale of investments	**70.40**	-
	Deposits matured / (placed) with banks	**67.46**	58.30
	Interest income on Financial Assets at Amortised Cost	**185.82**	117.41
	Dividend income from equity investments designated at fair value through other comprehensive income	**511.22**	4.83
	Rental income from investment properties	**359.03**	292.74
	Utility / business service / air-conditioning charges and other receipts in respect of investment property	**411.07**	635.02
	Net cash inflow from investing activities	**7,556.49**	**3,055.89**
C.	**Cash flow from financing activities**		
	Proceeds from issues of equity shares	**115.61**	9.04
	Proceeds from issues of equity shares of subsidiary	**106.28**	-
	Non-current borrowings taken	**29.65**	4,923.19
	Interest paid	**(1,865.76)**	(2,222.60)
	Non-current borrowings repaid	**(2,454.68)**	(4,486.05)
	Current borrowings repaid	**(1,174.56)**	(1,034.23)
	Principal element of lease payment	**2.58**	(66.83)
	Net cash outflow from financing activities	**(5,240.88)**	**(2,877.48)**
	Net increase in cash and cash equivalents	**1,821.48**	**850.26**
	Cash and cash equivalents at the beginning of the year	**3,547.52**	**2697.26**
	Cash and cash equivalents at the end of the year (Refer Note 12)	**5,369.00**	**3,547.52**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Consolidated Statement of Changes in Equity as at March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

A. Equity share capital

Description	Notes	Total
As at April 1, 2020		1,391.22
Changes in equity share capital	18(a)	1.15
As at March 31, 2021		**1,392.37**
Changes in equity share capital	18(a)	14.70
As at March 31, 2022		**1,407.07**

B. Other equity

Particulars	Attributable to owners of Mafatlal Industries Limited												Total Other Equity Attributable to Owners	Non Controlling Interests
	Reserves and Surplus											Other Reserves		
	Securities premium reserve	Retained Earnings	Capital Reserve No.1	Capital Reserve No. 2	Capital Reserve on Amalgamation	General Reserve	Capital Redemption Reserve	Capital Investment Reserve	Investment Reserve	ESOP Reserve	Export Profit Reserve	FVOCI - Equity instruments		
As at April 1, 2020	**17,452.07**	**(16,092.12)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**72.18**	**20.00**	**12,807.95**	**27,071.60**	**4.69**
Loss for the year	-	(9,396.81)	-	-	-	-	-	-	-	-	-	-	(9,396.81)	-
Other comprehensive income	-	9.21	-	-	-	-	-	-	-	-	-	27,540.10	27,549.31	-
Total comprehensive income	**-**	**(9,387.60)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,540.10**	**18,152.50**	**-**
														-
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	24.18	-	-	24.18	-
ESOP grants excercised	10.93	-	-	-	-	-	-	-	-	(3.01)	-	-	7.92	-
As at March 31, 2021	**17,463.00**	**(25,479.72)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**93.35**	**20.00**	**40,348.05**	**45,256.20**	**4.69**
														-
Profit for the year	-	2,876.30	-	-	-	-	-	-	-	-	-	-	2,876.30	(10.73)
Other comprehensive income	-	(108.67)	-	-	-	-	-	-	-	-	-	18,950.54	18,841.87	-
Total comprehensive income	**-**	**2,767.63**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,950.54**	**21,718.17**	**(10.73)**
														-
Adjustment on dilution of a subsidiary	72.66	4.50	-	-	-	-	-	-	-	-	-	-	77.16	29.15
Employee share-based payment expense	-	-	-	-	-	-	-	-	-	47.60	-	-	47.60	-
ESOP grants excercised	163.45	-	-	-	-	-	-	-	-	(62.53)	-	-	100.92	-
As at March 31, 2022	**17,699.11**	**(22,707.59)**	**61.16**	**35.00**	**3,634.48**	**620.00**	**8,383.14**	**75.96**	**1.78**	**78.42**	**20.00**	**59,298.59**	**67,200.05**	**23.11**

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

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Registration No.012754N / N500016

Priyanshu Gundana
Partner
Membership No. 109553
Mumbai, May 28, 2022

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman
(DIN:00009872)
Mumbai, May 28, 2022

P. H. Mafatlal
Managing Director
(DIN:02433237)
Mumbai, May 28, 2022

M. P. Shah
Chief Financial Officer
Mumbai, May 28, 2022

A. P. Shah
Company Secretary
Mumbai, May 28, 2022

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

1. Background

Mafatlal Industries Limited (the "Company") is a public limited Company incorporated under the provisions of the Companies Act, 1956. The shares are listed on the Bombay Stock Exchange. The Company belongs to the reputed industrial house of Arvind Mafatlal Group in India, established in 1905. The Company is engaged in textile manufacturing and trading, having its manufacturing unit at Nadiad, Gujarat. The Company and its subsidiaries, Mafatlal Services Limited ('MSL') and Vrata Tech Solutions Private Limited ('VTS'), are together referred to as the "Group".

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. **Basis of Preparation**

(i) Compliance with Ind AS

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) [Companies (Indian Accounting Standards) Rules, 2015] (the Rules) and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair values;
- Assets held for sale - measured at fair value less cost to sell;
- Defined benefit plans - plan assets measured at fair value, and
- Share-based payments

(iii) New amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2021:

- Interest Rate Benchmark Reform - amendments to Ind AS 109 and Ind AS 107
- Covid-19 related concessions - amendments to Ind AS 116

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(v) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021.

Consequent to above, the Group has changed the classification / presentation of (i) current maturities of long-term borrowings and Inter Company Deposit (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) and Inter Company Deposit have now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings (including interest accrued) and Inter Company Deposit were included in "Other current financial liabilities" line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'Other financial assets' line item. Previously, these deposits were included in 'loans' line item.

b. **Principles of consolidation**

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

c. **Segment Reporting**

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

Maker ("CODM"). The CODM consists of Chairman, CEO & MD, Executive Director who are responsible for allocating resources and assessing performance of the operating segments. The Group operates only in one Business Segment i.e. textile business segment, hence does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments". Refer Note 45 for segment information presented.

d. Foreign Currency Transactions

(i) **Functional and presentation currency**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the functional and presentation currency of Mafatlal Industries Limited.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

e. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivables. Amounts disclosed as revenue is net of returns, trade allowances, rebates, discounts, value added taxes, goods and service tax and amount collected on behalf of third parties.

The Group recognises revenue when the control of the goods is transferred in favour of the customers and the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group, there is no continuing managerial involvement with the goods and specific criteria have been met for each of the activities described below.

Timing of recognition

Revenue from sale of goods is recognised when the control of the goods are transferred to the buyer as per the terms of the contract. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Measurement of revenue

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government, which are levied on sales such as sales tax, value added tax, goods and service tax, etc. Discounts given includes rebates, price reductions and other incentives given to customers. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

f. Income tax

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as tax expense in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in Equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in Equity, respectively.

g. Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the purchase of Property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss in proportion to depreciation over the expected lives of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

h. Leases

The Group has adopted Ind AS 116 using the modified retrospective approach with effect from April 1, 2019. The Group has adopted modified retrospective approach where lease liability measured at present value of remaining lease payment discounted at the incremental borrowing rate at the date of initial application and right to use asset is equal to lease liability adjusted by the amount of any prepaid or accrued lease payments.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard with effect from April 1, 2019.

i. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Depreciation is calculated on a pro-rata basis from the date of acquisition / installation till the date the assets are sold or disposed of:

Asset category	Estimated useful life
Building	30 years
Plant and Machinery	9.5 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Leasehold Improvements	9 years

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

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

The estimated useful life and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Individual assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

j. Intangible assets

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Computer software cost is amortised over a period of 3 years using straight-line method.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss within other gains / (losses).

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

On transition to Ind AS, the Group has elected to continue with the carrying value of intangible assets recognised as at April 1, 2016 measured under IGAAP as the deemed cost of intangible assets.

Research and development

Research expenditure and development expenditure that do not meet the capitalisation criteria as mentioned above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

k. Investment properties

Land and building that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Group, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives which is determined based on technical evaluation performed by the management's expert.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016 measured under IGAAP as the deemed cost of investment property.

l. Impairment of assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

m. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

n. Trade receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

o. Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

p. Inventories

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower.

Items of inventory are valued at cost or net realizable value, whichever is lower after providing for obsolescence and other losses, where considered necessary. Cost is determined on the following basis:

- Stores, spares, raw materials and trading goods - Weighted average cost
- Process stock and finished goods - Material cost plus appropriate value of overheads
- Others (land) - At cost on conversion to stock-in-trade plus cost of improvement

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Group. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

q. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

r. Investments and other financial assets

(i) **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election (on an instrument-by-instrument basis) at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

(ii) **Initial recognition and measurement:**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(iii) **Subsequent measurement**

After initial recognition, financial assets are measured at:

- Fair value {through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,
- Amortised cost

Debt instruments

Subsequent measurement of debt instruments depends on the business model of the Group for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Group classifies its debt instruments:

- **Measured at amortised cost**

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

- **Measured at fair value through Other Comprehensive Income (OCI)**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain / (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

- **Measured at fair value through profit or loss**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments

The Group subsequently measures all investments in equity instruments at fair value. The Management of the Group has elected to present fair value gains and losses on such equity investments in either Other Comprehensive Income or profit and loss. There is no subsequent reclassification of fair value gains and losses to the statement of profit and loss where FVOCI option is chosen. Dividends from such investments continue to be recognised in the Statement of Profit and Loss as Other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Fair Value hierarchy

The judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements in the Note 37. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments (e.g. trade receivables, other contractual rights to receive cash or other financial asset). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Note 39 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) **Derecognition of financial assets**

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or,
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) **Income recognition:**

- **Interest income**

  Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- **Dividends**

  Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

s. Financial liabilities and equity instruments

(i) **Classification as debt or equity**

Debt and equity instruments issued by the entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

(ii) **Initial recognition and measurement**

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(iii) **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

(iv) **Derecognition**

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

t. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

u. Derivative instruments

The Group holds derivative financial instruments such as foreign exchange forward and commodity futures to mitigate the risk of changes in exchange rates on foreign currency exposures and changes in prices of raw materials. The counterparty for these contracts is generally a bank.

Derivative financial assets or liabilities are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in the Statement of Profit and Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are expected to be realised within 12 months after the Balance Sheet date.

v. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as Other income / (expense).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

w. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

x. **Provisions and contingent liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each reporting period and reflect the best current estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

y. Employee benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefits

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) **Post-employment obligations**

Defined Benefits plan

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to trusts administered by the Group for certain employees, which in turn invests in eligible securities to meet the liability as and when it accrues for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Statement of Profit and Loss. For other employees, the Group makes contribution for certain employees whereas for some other employees the Group makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident fund contributions for certain employees are made to a trust administered by the Group in India. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund balance maintained by the Trust set up by the Group is additionally provided. Actuarial losses and gains are recognised in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in a subsequent period.

Defined contribution plan

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

The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Share based payments

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

z. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of ordinary shares

outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

aa. 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.

ab. Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

ac. Exceptional Items

Exceptional items include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Group.

ad. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.1 Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

- Estimation of useful life of property, plant and equipment: Note 2(i) and Note 3(a)
- Estimation of defined benefit obligation: Note 41
- Estimation of fair value of level 3 financial instruments: Note 37
- Contingent Liabilities: Note 43

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

Note 3(a) - Property, plant and equipment

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold improvements	Railway sidings	Total
Year ended March 31, 2021									
Gross carrying amount	10.60	3,430.80	13,615.51	337.49	202.62	487.57	149.00	0.13	18,233.72
Additions	-	-	39.15	53.85	-	86.34	-	-	179.34
Transferred from assets held for sale (Refer Note 17)	-	-	126.35	0.90	-	0.45	-	-	127.70
Transfers to investment properties (Refer Note 4)	(0.13)	(1,001.19)	-	-	-	-	-	-	(1,001.32)
Disposals	-	(266.55)	(27.65)	-	-	(5.01)	-	-	(299.21)
Closing gross carrying amount	**10.47**	**2,163.06**	**13,753.36**	**392.24**	**202.62**	**569.35**	**149.00**	**0.13**	**17,240.23**
Accumulated depreciation									
Opening accumulated depreciation	-	474.33	3,907.06	126.11	121.75	321.85	127.87	-	5,078.97
Depreciation charge during the year	-	143.95	1,244.59	38.02	22.52	72.31	8.30	-	1,529.69
Transferred to investment properties (Refer Note 4)	-	(252.58)	-	-	-	-	-	-	(252.58)
Disposals	-	(36.23)	(27.65)	-	-	(1.48)	-	-	(65.36)
Closing accumulated depreciation	**-**	**329.47**	**5,124.00**	**164.13**	**144.27**	**392.68**	**136.17**	**-**	**6,290.72**
Net carrying amount	**10.47**	**1,833.59**	**8,629.36**	**228.11**	**58.35**	**176.67**	**12.83**	**0.13**	**10,949.51**

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold improvements	Railway sidings	Total
Year ended March 31, 2022									
Gross carrying amount	10.47	2,163.06	13,753.36	392.24	202.62	569.35	149.00	0.13	17,240.23
Additions	-	196.48	136.60	7.56	49.13	43.60	-	-	433.37
Transfer to assets held for Sale (Refer Note 17)	(0.03)	-	-	-	-	-	-	-	(0.03)
Disposals	(5.21)	(708.56)	(594.28)	(124.69)	(18.91)	(28.86)	(149.00)	-	(1,629.51)
Closing gross carrying amount	**5.23**	**1,650.98**	**13,295.68**	**275.11**	**232.84**	**584.09**	**-**	**0.13**	**16,044.06**
Accumulated depreciation									
Opening accumulated depreciation	-	329.47	5,124.00	164.13	144.27	392.68	136.17	-	6,290.72
Depreciation charge during the year	-	65.67	1,257.89	36.35	19.08	57.84	-	-	1,436.83
Disposals	-	(162.93)	(557.39)	(77.56)	(13.94)	(21.44)	(136.17)	-	(969.43)
Closing accumulated depreciation	**-**	**232.21**	**5,824.50**	**122.92**	**149.41**	**429.08**	**-**	**-**	**6,758.12**
Net carrying amount	**5.23**	**1,418.77**	**7,471.18**	**152.19**	**83.43**	**155.01**	**-**	**0.13**	**9,285.94**
Total									**9,285.94**

Notes:

(i) Refer Note 48(a) for information on property, plant and equipment pledged as security by the Group.

(ii) Refer Note 21, Note 26 and Note 47 for government grant related to Property, plant and equipment.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Description		As at March 31, 2022	As at March 31, 2021
I.	**Gross Block - Premises**		
	Opening Balance	**-**	**239.63**
	Additions	**109.81**	-
	Disposals	**-**	(239.63)
	Closing Balance	**109.81**	**-**
II.	**Accumulated depreciation**		
	Opening Balance	**-**	**172.80**
	Depreciation expense for the year	**7.32**	66.83
	Disposals	**-**	(239.63)
	Closing Balance	**7.32**	**-**
	Net block (I - II)		
	Closing Balance	**102.49**	**-**

3(b)(ii) - Lease Liabilities

Description	As at March 31, 2022	As at March 31, 2021
Lease Liabilities		
Current	**25.80**	-
Non current	**79.27**	-
Total	**105.07**	-

Note 4 - Investment Properties

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount	**1,267.37**	266.18
Transfer from property, plant and equipment (Refer Note 3)	**-**	1,001.32
Disposals	**(1,008.46)**	(0.13)
Closing gross carrying amount	**258.91**	**1,267.37**
Accumulated depreciation		
Opening accumulated depreciation	**271.96**	15.50
Depreciation charge during the year	**32.06**	3.88
Transfer from property, plant and equipment (Refer Note 3)	**-**	252.58
Disposals	**(280.76)**	-
Closing accumulated depreciation	**23.26**	**271.96**
Net carrying amount	**235.65**	**995.41**

(i) The investment property consists of freehold land, building and leasehold land.

(ii) Amounts recognised in the Statement of Profit and Loss for investment properties:

Particulars	As at March 31, 2022	As at March 31, 2021
Income from investment property [Refer note 28(a)]	**770.10**	926.57
Direct operating expenses towards income from investment property that generated income	**(643.81)**	(878.17)
Profit from investment properties before depreciation	**126.29**	**48.40**
Depreciation	**(32.06)**	(3.88)
Profit from investment properties	**94.23**	**44.52**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Leasing arrangements

(a) Operating leases

The Group has given certain investment properties on operating lease. These lease arrangements range for a period between eleven to sixty months and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. With respect to non-cancellable operating lease, the future minimum lease payment as at Balance Sheet date is as under (Refer Note 44):

Particulars	As at March 31, 2022	As at March 31, 2021
Within one year	**247.44**	206.53
Later than one year but not later than five years	**298.31**	224.99
Total	**545.75**	**431.52**

b) Finance leases

Investment properties include land portions taken on lease by the Group for a period ranging from 80 to 99 years with an option to extend the lease by another 99 years on expiry of lease. However, the Group has no specific obligation towards renewal of lease. The Group has considered that such a lease of land transfers substantially all of the risks and rewards incidental to ownership of land, and has thus accounted for the same as finance lease.

(iv) Fair value of investment properties

Particulars	As at March 31, 2022	As at March 31, 2021
Investment properties	**10,624.65**	15,503.39

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, rental growth rates, expected vacancy rates, terminal yields and discount rates. All resulting fair value estimates for investment properties are included in level 3. The Group obtains independent valuations from registered valuers for its investment properties annually.

(v) The Group is in the process of getting expired lease renewed in respect of the Lower Parel land with gross and net book value of Rs. 0.08 lakhs (March 31, 2021: Rs. 0.08 lakhs).

Note 5 - Intangible assets

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount	**632.87**	632.87
Additions	**-**	-
Closing gross carrying amount	**632.87**	**632.87**
Accumulated amortisation		
Opening accumulated amortisation	**391.29**	286.53
Amortisation during the year (Refer Note 33)	**100.30**	104.76
Closing accumulated amortisation	**491.59**	**391.29**
Net carrying amount*	**141.28**	**241.58**

* The computer softwares are other than internally generated.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 6 - Non-current investments

Particulars	As at March 31, 2022	As at March 31, 2021
(A) Investment in equity instruments (fully paid)		
Companies measured at FVOCI		
Quoted		
79,920 (March 31, 2021: 79,920) equity shares of Rs. 10/- each of Stanrose Mafatlal Investments and Finance Limited	**67.18**	61.60
84,300 (March 31, 2021: 84,300) equity shares of Rs.10/- each of Mangal Credit & Fincorp Limited	**84.67**	49.98
9,600 (March 31, 2021: 9,600) equity shares of Rs.2/- each of Ultramarine and Pigments Limited	**31.19**	28.04
2,52,59,059 (March 31, 2020: 2,52,59,059) equity shares of Rs.10/- each of NOCIL Limited $$	**63,008.75**	44,102.32
770 (March 31, 2021: 770) equity shares of Re.1/- each of Integra Engineering India Ltd.	**0.55**	0.21
100 (March 31, 2021: 100) equity shares of Rs.10/- each of Bank of India	**0.10**	0.13
Unquoted		
45,000 (March 31, 2021: 45,000) equity shares of Rs.10/- each of Cama Hotels Limited	**@**	@
1,600 (March 31, 2021: 1,600) equity shares of Rs.10/- each of Hybrid Financial Services Limited$**	**@**	@
116 (March 31, 2021: 116) equity shares of Rs.10/- each of Anil Bioplus Limited	**@**	@
12,40,000 (March 31, 2021: 12,40,000) equity shares of Rs.10/- each of Mafatlal Global Apparel Limited	**@**	@
13,350 (March 31, 2021: 13,350) equity shares of Rs.10/- each of Matcon Export Enterprises Limited	**@**	@
2,320 (March 31, 2021: 2,320) equity shares of Rs.10/- each of Anil Limited	**@**	@
100 (March 31, 2021: 100) equity shares of Rs.10/- each of Arlabs Limited	**@**	@
15,000 (March 31, 2021: 15,000) equity shares of Rs.10/- each of Cellulose Products of India Limited	**@**	@
10 (March 31, 2021: 10)equity shares of Rs.25/- each of Universal Dyestuff Industries Limited	**@**	@
5,870 (March 31, 2021: 5,870) equity shares of Rs.100/- each of SLM Maneklal Industries Limited	**@**	@
30,000 (March 31, 2021: 30,000) equity shares of Rs.10/- each of Mafatlal Medical Devices Limited	**@**	@
82,500 (March 31, 2021: 82,500) equity shares of Rs.100/- each of Janata Sahakari Bank Limited####	**82.50**	82.50
100 (March 31, 2021: 100) equity shares of Rs.25/- each of Shamrao Vithal Co-Operative Bank Limited####	**0.03**	0.03
3 (March 31, 2021: 3) Shares of Rs. 50/- each of Sea - Face Park Co-op Housing Society Limited	**@**	@
1,46,364 (March 31, 2021: 1,46,364) equity shares of Rs.100/- each of Mafatlal Engineering Industries Ltd. ###@@	**@**	@
23,700 (March 31, 2021: 23,700) equity shares of Rs. 10/-each of Mafatlal Ltd., UK ##@@	**@**	@
17,500 (March 31, 2021: NIL) equity shares of Rs.100/- each of The Cosmos Co-Operative Bank Limited####	**17.50**	-
(B) Investments in Government securities		
Unquoted - At amortised cost		
Government securities (Face value of Rs.2.89 lakhs) have been lodged with various authorities	**2.89**	2.89
(C) Investment in debentures and bonds		
Unquoted - At amortised cost		
1,65,000 (March 31, 2021: 1,65,000) 10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	**@**	@
2,050 (March 31, 2021: 2,050) Corporate Bonds of Housing Development Finance Corporation Limited: 11% - Series IV #	**-**	-
Total	**63,295.36**	**44,327.70**
$ Not held in the name of the Company since acquired on Amalgamation.		
$$ 50,38,358 (Previous year 64,92,062) equity Shares pledged with banks. Refer Note 48(a) for Assets pledged.		
** Not available for physical verification		
# 1,050 nos. - Not available for physical verification.		
## Not available for physical verification / confirmation not available; currently under liquidation.		
### 66,667 equity shares not available for physical verification; currently under liquidation.		

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
#### The Group has investments in equity shares of co-operative banks at face value, required as per the bye-laws of these institutions in order to take borrowings from co-operative banks. The Investments are non transferable and will be bought back by co-operative banks at face value upon termination of relationship. These investments are with dividend rights.		
@ Amount is below the rounding off norm adopted by the Group.		
@@ Under liquidation		
Total Non-current investments		
Aggregate amount of quoted investments and market value thereof	**63,192.44**	44,242.28
Aggregate amount of unquoted investments	**102.92**	85.42
Aggregate amount of impairment in the value of investments	**-**	-
Total	**63,295.36**	**44,327.70**

Note 7 - Current investments

Particulars	As at March 31, 2022	As at March 31, 2021
Quoted - at FVOCI		
NIL (March 31, 2021: 21,156.891) units of Aditya Birla Sunlife Liquid Fund - Instalment Premium-Growth	**-**	69.67
2,940 (March 31, 2021: 2,940) equity shares of Rs. 10/- each of Aditya Birla Capital Limited	**3.15**	3.51
Total	**3.15**	**73.18**
Total Investments		
Aggregate amount of quoted investments and market value thereof	**3.15**	73.18
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of impairment in the value of investments	**-**	-
Total	**3.15**	**73.18**

Note 8 - Non-current - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good		
Security deposits	**324.05**	472.08
Deposits with banks (with maturity period of more than 12 months)		
(i) Deposits with Banks	**-**	48.00
(ii) Balances held as security/margin money *	**440.98**	460.44
Others	**0.55**	0.55
Total	**765.58**	**981.07**

*Held as lien by Banks against borrowings, guarantees and other commitments in the normal course of business.

Note 9 - Non-current - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good		
Capital advances	**-**	0.53
Deposits with government authorities	**53.39**	62.08
Lease rent/utilities equalisation of income	**-**	6.49
Unsecured, considered doubtful		
Balances with government authorities	**0.79**	0.79
Less: Provision for doubtful balances with government authorities	**(0.79)**	(0.79)
Total	**53.39**	**69.10**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 10 - Inventories

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	**315.88**	11.36
Work-in-progress	**3,074.82**	904.32
Finished goods	**881.74**	640.46
Stock-in-trade	**1,355.92**	778.48
Stock-in-trade in transit	**1,337.08**	-
Stores and spares	**231.57**	111.76
Others (Land) [Refer Note 50 (ii)]	**0.58**	0.58
Total	**7,197.59**	**2,446.96**

Amounts recognised in the Statement of Profit and Loss

Write-downs of inventories to net realisable value amounted to Rs. 191.36 lakhs (March 31, 2021 – Rs. 571.34 lakhs), out of which Rs. 67.46 lakhs transfer to exceptional items (March 31, 2021 - Rs. 444.00 lakhs) which is disclosed in the note 35. Remaining amounts were recognised as an expense during the year and included in ‘changes in value of inventories of work-in-progress, stock-in-trade and finished goods’ in the Statement of Profit and Loss.

Note 11(a) Non-current Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables (unsecured, considered good)	**33.20**	33.20
Less: Allowance for doubtful debts (Refer Note 39)	**(33.20)**	-
Total	**-**	**33.20**

Note 11(b) - Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	**26,996.43**	22,814.26
Less: Allowance for doubtful debts (Refer Note 39)	**(717.28)**	(762.74)
Less : Allowance for doubtful debts (Refer Note 35)	**(834.96)**	(380.00)
Total	**25,444.19**	**21,671.52**
Unsecured		
Considered good	**25,444.19**	21,671.52
Considered doubtful	**1,552.24**	1,142.74
Less: Allowance for doubtful debts	**(1,552.24)**	(1,142.74)
Total	**25,444.19**	**21,671.52**

Break up of security details

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables - Secured	**-**	-
Trade receivables - Unsecured	**26,128.68**	22,814.26
Trade receivables which have significant increase in credit risk	**-**	-
Trade receivables - Credit impaired	**867.75**	-
Total	**26,996.43**	**22,814.26**
Allowance for doubtful debts	**(1,552.24)**	(1,142.74)
Total	**25,444.19**	**21,671.52**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Ageing of Trade receivables as at March 31, 2022*

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed Trade receivables							
(i) considered good	18,190.24	3,872.88	783.43	1,157.23	1,558.31	599.78	26,161.88
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
(B) Disputed Trade Receivables							
(i) considered good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	867.75	867.75
Total	**18,190.24**	**3,872.88**	**783.43**	**1,157.23**	**1,558.31**	**1,467.53**	**27,029.63**
Allowance for doubtful debts							(1,585.44)
Total							**25,444.19**

Ageing of Trade receivables as at March 31, 2021*

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed Trade receivables							
(i) considered good	8,983.52	5,402.85	2,402.29	4,069.28	496.05	625.72	21,979.71
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
(B) Disputed Trade Receivables							
(i) considered good	-	-	-	-	-	867.75	867.75
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Total	**8,983.52**	**5,402.85**	**2,402.29**	**4,069.28**	**496.05**	**1,493.47**	**22,847.46**
Allowance for doubtful debts							(1,142.74)
Total*							**21,704.72**

* includes non-current trade receivables [Refer Note 11(a)].

Transferred receivables:

The carrying amounts of the trade receivables include receivables which are subject to a discounting arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its Balance Sheet. The amount repayable under the discounting is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Total transferred receivables	**79.58**	324.40
Associated secured borrowings (Refer Note 22)	**(79.58)**	(324.40)
Total	**-**	-

Refer Note 38 for information about credit risk and market risk for trade receivables.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 12 - Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	**5.82**	2.41
Balances with banks:		
(i) In Current accounts	**5,116.80**	2,906.11
(ii) In Deposit accounts (with less than 3 months original maturity)	**246.38**	639.00
Total	**5,369.00**	**3,547.52**

Note 13 - Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with maturity of more than 3 months but less than 12 months		
In earmarked accounts		
(i) Balances held as margin money or security against borrowings, guarantees and other commitments	**2,529.48**	2,180.73
(ii) Unclaimed dividend accounts	**19.84**	26.22
Others		
(i) Balance in Fixed Deposits	**1,148.58**	45.04
(ii) Balances in Escrow Current accounts (Refer Note below)	**1.87**	1.87
Total	**3,699.77**	**2,253.86**

Note:

Balance in Escrow Current account of Rs.1.87 lakhs (March 31, 2021 - Rs.1.87 lakhs) is operated under the supervision of Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.

Note 14 - Current loans

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to employees	**0.52**	5.25
Total	**0.52**	**5.25**

Note: There are no loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties.

Note 15 - Current - Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits		
Considered good	**1,460.20**	1,467.98
Considered doubtful	**98.78**	-
	1,558.98	1,467.98
Less: Provision for doubtful deposits	**(98.78)**	-
	1,460.20	1,467.98
Government grant receivable	**82.72**	82.72
Interest accrued on deposits with banks	**30.58**	-
Other receivables (Refer Note 41)	**2.39**	3.86
Total	**1,575.89**	**1,554.56**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 16 - Current - Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good unless otherwise stated		
Prepaid expenses	**86.76**	171.33
Balances with government authorities	**1,855.85**	1,753.56
Advance to suppliers	**914.85**	1,084.65
Others	**14.25**	23.76
Total	**2,871.71**	**3,033.30**

Note 17 - Assets held for sale

Particulars	As at March 31, 2022	As at March 31, 2021
Assets classified as held for sale		
- Plant and Machinery	**-**	68.23
- Land [includes land transferred from Property Plant and Equipment - Refer Note 3(a)]	**0.13**	0.10
Total	**0.13**	**68.33**

Note 18 - Share capital and other equity

18(a) - Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (Rs. in lakhs)	Number of shares	Amount (Rs. in lakhs)
(i) Authorised				
Equity shares of Rs.10/- each with voting rights	**1,42,45,081**	**1,424.51**	1,42,45,081	1,424.51
Unclassified Shares of Rs.10 each	**8,57,54,919**	**8,575.49**	8,57,54,919	8,575.49
Total	**10,00,00,000**	**10,000.00**	**10,00,00,000**	**10,000.00**
(ii) Issued				
Equity shares of Rs.10/- each with voting rights	**1,40,71,386**	**1,407.13**	1,39,24,386	1,392.43
(iii) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	**1,40,71,386**	**1,407.13**	1,39,24,386	1,392.43
Less: Allotment money/ Calls in arrears	**-**	**(0.06)**	-	(0.06)
Total	**1,40,71,386**	**1,407.07**	**1,39,24,386**	**1,392.37**

(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Number of shares	Share capital (Rs. in lakhs) (Par value)
Balance as at April 01, 2020	**1,39,12,886**	**1,391.22**
Issued during the year	11,500	1.15
Balance as at March 31, 2021	**1,39,24,386**	**1,392.37**
Issued during the year (Refer Note 5(ii) below)	1,47,000	14.70
Balance as at March 31, 2022	**1,40,71,386**	**1,407.07**

(2) Terms & rights attached to Equity shares:

The Company has issued only one class of equity shares having a par value of Rs. 10/- per share. Every holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting except for interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

their shareholding.

(3) Details of shareholders holding more than 5% of the aggregate shares in the Group:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% Holding	Number of shares	% Holding
H. A. Mafatlal	**26,73,046**	**19.00%**	26,73,046	19.20%
NOCIL Limited	**19,54,695**	**13.89%**	19,54,695	14.04%
Sumil Trading Private Limited	**31,18,326**	**22.16%**	31,18,326	22.39%
Rekha H. Mafatlal	**13,07,387**	**9.29%**	13,07,387	9.40%

(4) Details of shareholding of promoters:

Name of the Promoter	As at March 31, 2022			As at March 31, 2021		
	No of shares	% of total no. of shares	% of change during the year	No of shares	% of total no. of shares	% of change during the year
Rekha H. Mafatlal	**13,07,387**	**9.29%**	**0.11%**	13,07,387	9.40%	0.00%
H. A. Mafatlal As a Trustee Of Gurukripa Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal As A Trustee Of Karuna Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal As A Trustee Of Narsingha Trust	**100**	*	**0.00%**	100	*	0.00%
Rekha H. Mafatlal As A Trustee Of Radha Raman Trust	**100**	*	**0.00%**	100	*	0.00%
Aarti M. Chadha	**1,49,180**	**1.06%**	**0.01%**	1,49,180	1.07%	0.00%
H. A. Mafatlal As A Trustee Of Shrija Trust	**100**	*	**0.00%**	100	*	0.00%
H. A. Mafatlal	**26,73,046**	**19.00%**	**0.20%**	26,73,046	19.20%	0.00%
Anjali K. Agarwal	**1,77,430**	**1.26%**	**0.01%**	1,77,430	1.27%	0.01%
P.H. Mafatlal	**5,60,991**	**3.99%**	**0.04%**	5,60,991	4.03%	0.00%
Gayatri Pestichem Manufacturing Private Ltd	**22,305**	**0.16%**	**0.00%**	22,305	0.16%	0.00%
NOCIL Limited	**19,54,695**	**13.89%**	**0.15%**	19,54,695	14.04%	0.01%
Sumil Trading Private Limited	**31,18,326**	**22.16%**	**0.23%**	31,18,326	22.39%	0.02%
Shri H. A. Mafatlal Public Charitable Trust No 1	**24,128**	**0.17%**	**0.00%**	24,128	0.17%	0.00%
Seth Navinchandra Mafatlal Foundation Trust No 1	**16,506**	**0.12%**	**0.00%**	16,506	0.12%	0.00%
	1,00,04,494	**71.10%**		1,00,04,494	71.85%	

** % of total number of shares below the rounding off norm adopted by the Company.*

(5) Aggregate number of shares issued for consideration other than cash:

(i) During the year 2013-14, 40,99,415 Equity shares of Rs. 10/- each fully paid-up were issued to shareholders of erstwhile Mafatlal Denim Limited, as consideration on merger with the Company.

(ii) Shares reserved for issue under options

Information relating to Mafatlal Industries Limited Employee Option Plan, including details of options issued, granted, vested and exercised during the financial year and options outstanding at the end of the reporting period, is set out in Note 38. During the current financial year ended March 31, 2022, 1,47,000 (March 31, 2021: 11,500) options were excercised under ESOP Scheme.

(6) Calls unpaid (by other than officers and directors)

Particulars	As at March 31, 2022	As at March 31, 2021
Calls unpaid	**0.06**	0.06

(7) During 1987-88, 5,35,000 shares (of Rs. 100/- each) were allotted on rights basis subject to the result of suit nos. 3181 and 3182 of 1987 filed by three shareholders against the Group and Others in the Ahmedabad City Civil Court. The suits are pending disposal.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

18(b) - Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	**17,699.11**	17,463.00
Retained earnings	**(22,707.59)**	(25,479.72)
General Reserve	**620.00**	620.00
Capital Reserve No.1	**61.16**	61.16
Capital Reserve No. 2	**35.00**	35.00
Capital Reserve on Amalgamation	**3,634.48**	3,634.48
Capital Redemption Reserve	**8,383.14**	8,383.14
Capital Investment Reserve	**75.96**	75.96
Investment Reserve	**1.78**	1.78
ESOP Reserve	**78.42**	93.35
Export Profit Reserve	**20.00**	20.00
Other reserves:		
FVOCI - Equity instruments	**59,298.59**	40,348.05
Total	**67,200.05**	**45,256.20**

(i) Securities Premium

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**17,463.00**	17,452.07
Add: Movement during the year	**236.11**	10.93
Balance at the end of the year	**17,699.11**	**17,463.00**

(ii) Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**(25,479.72)**	(16,092.12)
Add: Profit / (Loss) for the year	**2,876.30**	(9,396.81)
Add: Adjustment on dilution of Vrata	**4.50**	-
Other comprehensive income	**(108.67)**	9.21
Balance at the end of the year	**(22,707.59)**	**(25,479.72)**

(iii) General Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**620.00**	620.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**620.00**	**620.00**

(iv) Capital reserve No.1

Capital reserve is to be utilised in accordance with the provisions of the Act.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**61.16**	61.16
Add: Movement during the year	**-**	-
Balance at the end of the year	**61.16**	**61.16**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(v) Capital reserve No. 2

The reserve has arisen out of State Government subsidy received by the Group and is separately maintained as per the provisions of the Act.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**35.00**	35.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**35.00**	**35.00**

(vi) Capital Reserve on Amalgamation

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**3,634.48**	3,634.48
Add: Movement during the year	**-**	-
Balance at the end of the year	**3,634.48**	**3,634.48**

(vii) Capital redemption reserve

It represents reserve created during buy back of Equity Shares, preference shares and it is a non-distributable reserve.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**8,383.14**	8,383.14
Add: Movement during the year	**-**	-
Balance at the end of the year	**8,383.14**	**8,383.14**

(viii) Capital Investment Reserve

The said reserve has arisen out of excess of non taxable sales proceeds over the book values

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**75.96**	75.96
Add: Movement during the year	**-**	-
Balance at the end of the year	**75.96**	**75.96**

(ix) Investment Reserve

The said reserve has arisen on account of amalgamation with Mafatlal Gagalbhai and Company Private Limited.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**1.78**	1.78
Add: Movement during the year	**-**	-
Balance at the end of the year	**1.78**	**1.78**

(x) ESOP Reserve

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**93.35**	72.18
Add: Movement during the year	**47.60**	24.18
Less: Grants Excercised	**(62.53)**	(3.01)
Balance at the end of the year	**78.42**	**93.35**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(xi) Export Profit Reserve

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

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**20.00**	20.00
Add: Movement during the year	**-**	-
Balance at the end of the year	**20.00**	**20.00**

(xii) FVOCI - Equity instruments

The Group fair values certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve.

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	**40,348.05**	12,807.95
Add: Change in fair value of FVOCI equity instruments	**18,950.54**	27,540.10
Balance at the end of the year	**59,298.59**	**40,348.05**

Note 19 - Non- current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loans		
(a) From Banks [Refer Note no.(i), (ii), (iii), (iv) and (v) below]	**3,987.09**	5,293.98
(b) For vehicle loans [Refer Note no.(vi) below]	**27.21**	7.63
(c) From financial institutions [Refer Note no.(vii) and (viii) below]	**371.81**	707.87
Total	**4,386.11**	**6,009.48**

(i)	Term loan from consortium of two Banks, aggregating to Rs. 2,897.43 lakhs (March 31, 2021: Rs. 3,448.39 lakhs) is secured by mortgage on pari passu basis of an immovable asset (building) measuring 2,072.20 sq. mtrs. of Mafatlal House at Mumbai.	Repayable in 60 installments begining from April 2021 till March 2026. The rate of interest for the year was @ 11.50% p.a. (March 31, 2021: 11.50% p.a.).
(ii)	Term loan from a Bank, amounting to Rs. 1,481.89 lakhs (March 31, 2021: Rs. 1,474.80 lakhs) is secured by mortgage of an immovable asset (building) measuring 273.60 sq. mtrs. of Mafatlal House at Mumbai and 178.56 sq. mtrs. at Ahmedabad and pledge over 13,34,296 (March 31, 2021: 12,28,000 shares of NOCIL Limited).	Repayable in 8 installments begining from June 2023 till March 2025. The rate of interest for the year was @ 10.80% p.a. to 11.00% p.a. (March 31, 2021: 11.00% p.a.).
(iii)	Term loan from a Bank, amounting to NIL (March 31, 2021: Rs.471.71 lakhs) was secured by mortgage of an immovable asset (building) measuring 343.28 sq. mtrs. of Mafatlal Chambers at Mumbai. In the previous year, the term loan was also secured by exclusive first charge on property, plant and equipment aquired out of the said loan from Bank at Navsari plant and pledge over 5,10,000 shares of NOCIL Limited.	The term loan was repaid in October 2021. The rate of interest for the year was 12.40% p.a. (March 31, 2021: 12.40% p.a. - 12.65% p.a.).
(iv)	Term loan from a Bank, amounting to Rs.139.26 lakhs (March 31, 2021: Rs. 629.25 lakhs) is secured by mortgage of an immovable asset (land and building) at Nadiad and exclusive first charge on property, plant and equipment acquired out of the said loan from Bank at Nadiad Plant and second charge on certain stock and book debts of the Company.	Repayable in 60 installments begininng from December 2016 till June 2022. The rate of interest for the year was @ 12.25 % p.a. (March 31, 2021: 12.25 % p.a.).
(v)	Term loan from a Bank, amounting to Rs. 538.17 lakhs (March 31, 2021: Rs.930.98 lakhs) is secured by rental receivables of specific floors of Mafatlal House and partial area of Mafatlal Centre from lessees.	Repayable in 108 installments begining from July 2016 till November 2025. The rate of interest for the year was 10.50% p.a. (March 31, 2021: 10.50% p.a.).
(vi)	Loans from a Bank, amounting to Rs. 38.61 lakhs (March 31, 2021: Rs.17.38 lakhs) for Vehicles is secured by hypothecation of respective vehicles.	Repayable in monthly installments and the rate of interest for the year was in the range of 7.00 % to 10.00 % p.a. (March 31, 2021: 8.40% to 10.00% p.a).

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(vii) Term loan from a financial institution, amounting to Rs. 88.17 lakhs (March 31, 2021 / Rs.387.01 lakhs) is secured by mortgage of an immovable asset (land and building) at Nadiad and exclusive first charge on property, plant and equipment acquired out of the said loan from Financial institution at Nadiad Plant.	Repayable in 20 quarterly installments begining from June 2017 till September 2022 after a moratorium period of 12 months. The rate of interest for the year was in the range of 10.55 % to 11.10 % p.a. (March 31, 2021: 11.10% to 11.50% p.a.).
(viii) Term loan from a financial institution, amounting to Rs. 619.68 lakhs (March 31, 2021 / Rs. 868.72 lakhs) is secured by charge on movable property, plant and equipement acquired out of said loan, charge by way of mortgage over immovable assets (land & building) measuring 253.81 sq. mtrs. of Mafatlal House at Mumbai, pledge over 4,91,062 shares of NOCIL Limited, and pledge by promoters / promoter companies of certain shareholding in the Company and a lien on term deposit. (Also Refer Note 8)	Repayable in 20 quarterly installments begining from June 2019 till September 2024 after a moratorium period of 18 months. The rate of interest for the year was in the range of 10.35 % to 10.90 % p.a. (March 31, 2021: 10.90% to 11.30 % p.a.).

The amounts mentioned include installments falling due within a year aggregating to Rs. 1,417.10 lakhs (March 31, 2021: Rs. 2,218.76 lakhs) have been grouped under "Current Borrowings" [Refer Note 22].
For Liquidity risk information, refer note 39.

Note 20 - Non-current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Trade / Security deposits	**353.75**	385.50
Other Advances*	**1,296.60**	582.67
Interest accrued and not due on others [Refer Note 50 (i)]	**283.82**	283.82
Total	**1,934.17**	**1,251.99**

* Out of the above, Other advances for Rs. 577.89 lakhs (March 31, 2021: 577.89 lakhs), refer note 50(i).

Note 21 - Non-current - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Income on Government Grant (Refer Note 47)	**141.13**	271.31
Total	**141.13**	**271.31**

Note 22 - Current borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
From Banks		
Cash credit*	**5,095.15**	5,824.89
Factored receivables (Refer Note 11)	**79.58**	324.40
Current maturities of long-term debt (Refer Note 19)		
(i) From Banks	**1,070.80**	1,661.13
(ii) For vehicle loans	**11.41**	9.75
(iii) From financial institutions	**334.89**	547.88
Interest accrued but not due on borrowings	**24.31**	27.02
Unsecured		
Inter Company Deposit**	**200.00**	400.00
Total	**6,816.14**	**8,795.07**

*Cash Credit facility are secured by hypothecation of certain stocks and book debts, both present and future, of the Group, second charge on certain property, plant and equipment of the Company and pledge of 32,13,000 equity shares (March 31, 2021: 42,63,000 equity shares) of NOCIL held by the Group. The cash credit is repayable on demand and carry an interest in the range of 10.25% to 12.25% p.a.(March 31, 2021: 12.25% p.a.). Refer Note 48(a) for assets pledged as Security and Refer Note 48(b) borrowing secured against current assets.

** Represents Inter-company deposits taken for a term of 120 days extendable by mutual consent and carrying an interest of 12% p.a. (March 31, 2021 - 12.00% p.a.) payable on maturity.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 23 - Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises; and	**1,026.73**	767.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	**33,201.99**	24,132.90
Trade Payables to related parties (Refer Note 42)	**459.95**	-
Total	**34,688.67**	**24,900.22**

Ageing of Trade Payables as at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	153.75	253.03	400.26	219.55	-	0.14	1,026.73
(ii) Others	2,746.72	13,565.43	14,107.40	1,654.21	1,461.92	126.26	33,661.94
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**2,900.47**	**13,818.46**	**14,507.66**	**1,873.76**	**1,461.92**	**126.40**	**34,688.67**

Ageing of Trade Payables as at March 31, 2021

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(A) Undisputed trade payables							
(i) Micro enterprises and Small enterprises	137.60	53.54	463.20	112.98	-	-	767.32
(ii) Others	2,094.54	8,403.50	7,877.04	4,971.31	773.92	12.59	24,132.90
(B) Disputed trade payables							
(i) Micro enterprises and Small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**2,232.14**	**8,457.04**	**8,340.24**	**5,084.29**	**773.92**	**12.59**	**24,900.22**

Note: For Liquidity risk information, Refer Note 39.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Dues to Micro and Small Enterprises:-

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows.

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**872.98**	629.72
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**153.75**	137.60
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**907.52**	1,365.05
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**16.15**	27.89
Further interest remaining due and payable for earlier years	**137.60**	109.71
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues, above are actually paid to Small enterprises, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	**153.75**	137.60

Note 24 - Current - Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends*	**19.84**	26.22
Book Overdraft	**1,057.56**	-
Trade Deposits	**1,332.76**	1,391.41
Trade payables for capital assets	**-**	7.32
Other advances	**-**	713.92
Total	**2,410.16**	**2,138.87**

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

Note 25 - Current provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits:		
(i) Provision for Compensated absences (Refer Note 41)	**352.21**	316.92
(ii) Provision for Gratuity (Refer Note 41)	**898.46**	760.01
Other Provisions		
(i) Provision for Fringe Benefit Tax [net of advance tax Rs.39.05 lakhs (As at March 31, 2021: Rs.39.05 lakhs)]	**0.40**	0.40
(ii) Provision for Wealth Tax (net)	**0.11**	0.11
Total	**1,251.18**	**1,077.44**

Note 26 - Current - Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payment towards Statutory liabilities	**215.90**	110.05
Advance from customers [(Refer Note 26(a)]	**603.11**	581.79
Employee Benefits Payable	**381.46**	1,956.82
Deferred Income on Government Grant (Refer Note 47)	**130.18**	130.18
Others	**57.23**	205.68
Total	**1,387.88**	**2,984.52**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 26(a) - Revenue recognised in relation to advance from customers

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue recognised that was included in advance from customers at the beginning of the period	**521.76**	**318.24**

Note 27 - Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	**96,173.17**	60,077.31
Sale of services	**2,393.81**	-
Other operating revenues		
Income from waste / scrap sale	**237.69**	109.41
Processing income	**105.54**	2.84
Duty drawback and other export incentives	**169.50**	97.51
Total	**99,079.71**	**60,287.07**

Note 28(a) - Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on financial assets at amortised cost	**185.82**	117.41
Interest income on income tax refund	**-**	44.29
Rental income from investment property	**359.03**	292.74
Utility / business service / air-conditioning charges and other receipts in respect of investment property	**411.07**	633.83
Dividend income from equity investments designated at fair value through other comprehensive income *	**511.22**	4.83
Apportioned Income from Government grant #	**130.18**	130.18
Liabilities / provisions no longer required written back	**42.80**	218.86
Miscellaneous income	**67.19**	55.71
Total	**1,707.31**	**1,497.85**

* All dividends from equity investments which are designated at FVOCI relate to the investments held at the end of the reporting period.

Government grants have been received for investment in certain items of property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants as at March 31, 2022. (Refer Note 47)

Note 28(b) - Other gains / (losses)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net gain on disposal of Property Plant and Equipment and Investment Property (Refer Notes 3 and 4)	**4,692.45**	2,118.62
Net foreign exchange differences	**36.23**	(51.51)
Total	**4,728.68**	**2,067.11**

Note 29 - Cost of materials consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Raw materials consumed	**17,291.78**	7,597.16
Less : Transfer to exceptional items [Refer Note 35]	**-**	(91.19)
	17,291.78	7,505.97
Packing materials consumed	**259.15**	125.96
Total	**17,550.93**	**7,631.93**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 30 - Changes in inventories of finished goods, work in progress and stock-in-trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year		
Finished goods	**881.74**	640.46
Work-in-progress	**3,074.82**	904.32
Stock-in-trade (Traded goods)	**2,693.00**	778.48
Inventories at the beginning of the year		
Finished goods	**640.46**	4,732.14
Work-in-progress	**904.32**	3,572.58
Stock-in-trade (Traded goods)	**778.48**	1,328.13
	(4,326.30)	**7,309.59**
Less : Transfer to exceptional items (Refer Note 35)	**(67.46)**	(359.85)
Total	**(4,393.76)**	**6,949.74**

Note 31 - Employee Benefit expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	**3,709.03**	4,372.38
Contributions to provident and other funds [Refer Note 41(ii)(a)]	**279.73**	277.69
Gratuity expenses (Refer Note 41)	**303.94**	179.04
Staff welfare expenses	**118.80**	133.63
Employee share-based payment expense (Refer Note 38)	**47.60**	24.18
Total	**4,459.10**	**4,986.92**

Note 32 - Finance costs (Net)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense on:		
Borrowings [Refer Note below]	**1,424.77**	1,900.88
Trade payables	**280.71**	143.61
Lease Liabilities	**3.66**	-
Others	**153.91**	165.78
Total	**1,863.05**	**2,210.27**

Note:

The interest subsidy for the year on the Term Loans availed under the Technology Upgradation Fund Scheme (TUFS) is NIL (March 31, 2021 Rs. 7.55 lakhs) and the same has been netted off from interest expense.

Note 33 - Depreciation and amortisation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment and Right of use assets [Refer Notes 3(a) and 3(b)]	**1,444.15**	1,596.52
Amortisation on intangible assets (Refer Note 5)	**100.30**	104.76
Depreciation on investment property (Refer Note 4)	**32.06**	3.88
Total	**1,576.51**	**1,705.16**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 34 - Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spare parts	**2,669.41**	1,721.38
Less : Transfer to exceptional items [Refer Note 35]	**-**	(312.96)
Processing charges	**513.70**	369.01
Power and fuel	**3,631.39**	1,502.70
Repairs and maintenance - Buildings	**148.94**	19.03
Repairs and maintenance - Machinery	**100.34**	39.25
Repairs and maintenance - Others	**277.48**	51.23
Insurance	**86.17**	87.50
Lease rent	**9.06**	27.50
Rates and taxes	**255.08**	151.46
Sub-contracting charges	**2,686.61**	369.30
Transport and freight charges (net)	**1,110.16**	584.97
Donations and Charities	**0.33**	5.26
Bad Debts written off	**261.57**	8.34
Provision for doubtful debts / (written back)	**(392.28)**	246.31
Advances written off	**40.10**	-
Provision for doubtful deposits	**98.79**	-
Legal and professional fees	**912.68**	376.06
Payments to auditors [Refer Note 34(a)]	**40.35**	49.87
Directors' fees [Refer Note 42]	**65.10**	53.20
Miscellaneous expenses	**1,541.65**	1,879.24
Total	**14,056.63**	**7,228.65**

Note 34(a) - Details of payment to auditors

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payment to the auditors		
As auditor:		
Statutory audit fees	**28.50**	33.25
Limited review	**10.50**	14.25
Certification services	**1.00**	2.00
Re-imbursement of expenses	**0.35**	0.37
Total	**40.35**	**49.87**

Note 35 - Exceptional Items

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Employee severance cost comprising voluntary retirement scheme at Nadiad [Refer note (I) below]	**114.30**	2,264.27
(b) Impact due to Covid-19 [Refer note (II) below]		
(i) Property, Plant and Equipment [Net of all associated costs] (Refer Note 3)	**-**	675.11
(ii) Write-down of current assets [Includes inventories and select receivables (Refer Notes 10 and 11)]	**902.42**	1,144.00
Total	**1,016.72**	**4,083.38**

Note (I): During the previous financial year ended March 31, 2021, the Group had entered into a Memorandum of Understanding (MOU) with Workers' Union at its Nadiad location to reduce its workforce and accordingly recognized 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 now been terminated.

Note (II): In the current year, the Group has estimated and recognized an impairment loss against carrying value of receivables and inventories, owing to Covid - 19 related uncertainties and disclosed the same under exceptional item. For the year ended March 31, 2021, such provision comprised of doubtful debts, slow / non-moving inventories and impairment of property, plant and equipment. (Also Refer Note 51)

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 36 - Taxation

36(a) - Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax	**34.944%**	34.944%
Current tax on Profits / (Loss) for the year	**-**	-
Total current tax expense	**-**	**-**
Deferred tax		
(Decrease) / increase in deferred tax assets	**(378.31)**	(826.04)
Decrease / (increase) in deferred tax liabilities	**93.05**	670.80
Total deferred tax (expense) / credit	**(285.26)**	**(155.24)**
Income tax expense	**(285.26)**	**(155.24)**

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit / (Loss) for the year	**3,150.83**	(9,131.16)
Statutory income tax rate applicable to Mafatlal Industries Limited	**34.944%**	34.944%
Tax expense at applicable tax rate	**1,101.03**	**3,190.79**
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
Permanent difference on sale of property, plant and equipment and investment properties	**1,197.10**	-
Differential tax rate in respect of capital gains	**147.50**	-
Unrecognised deferred tax for tax losses and other temporary differences	**(415.84)**	(2,755.03)
Expenses not deductible for tax purposes	**(47.89)**	(247.46)
Income for the year set off against brought forward losses	**(60.63)**	-
Others	**(4.47)**	(33.06)
Income tax expense as per the Statement of Profit and Loss	**(285.26)**	**(155.24)**

36(c) - No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in Equity and not in Statement of Profit and Loss or Other comprehensive income.

36(d) - Deferred tax assets

The balance comprises temporary differences attributable to:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision for doubtful debts / advances (net)	**576.94**	399.32
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	**1,405.44**	1,454.18
Unabsorbed depreciation	**463.15**	970.34
Total deferred tax assets	**2,445.53**	**2,823.84**
Deferred Tax Liability		
On difference between book balance and tax balance of property, plant and equipment	**(1,658.07)**	(1,751.12)
Total deferred tax assets	**787.45**	**1,072.72**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Movement in deferred tax (assets) / liabilities

Particulars	As at March 31, 2020	(Charged)/ Credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2021
Provision for doubtful debts / advances (net)	183.38	215.94	-	399.32
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	1,266.62	187.56	-	1,454.18
Unabsorbed depreciation	2,199.88	(1,229.54)	-	970.34
On difference between book balance and tax balance of property, plant and equipment	(2,421.92)	670.80	-	(1,751.12)
Total deferred tax assets	**1,227.96**	**(155.24)**	**-**	**1,072.72**

Particulars	As at March 31, 2021	(Charged)/ Credited to profit and loss	Charged/ (credited) to OCI	As at March 31, 2022
Provision for doubtful debts / advances (net)	399.32	177.62	-	576.94
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	1,454.18	(48.74)	-	1,405.44
Unabsorbed depreciation	970.34	(507.19)	-	463.15
On difference between book balance and tax balance of property, plant and equipment	(1,751.12)	93.05	-	(1,658.07)
Total deferred tax assets	**1,072.72**	**(285.26)**	**-**	**787.45**

The Group has recognised the Deferred Tax Asset on unabsorbed depreciation of earlier years, provision for doubtful debts and disallowances under Section 35DDA, 40(a)(i) and 43B of the Income Tax Act, 1961.The Group has concluded that the deferred tax assets will be recoverable partially compensated by decrease in deferred tax liabilities and excess will be recovered using estimated future taxable income. Further, unabsorbed depreciation can be carried forward for infinite period as per tax regulations.

36(e) - Tax losses

The Group has not created deferred tax asset on the following tax losses:

Particulars		As at March 31, 2022	As at March 31, 2021
Short Term Capital Loss		-	455.93
Potential tax benefit @ 34.944%	(a)	-	159.32
Long Term Capital Loss		-	1,777.44
Potential tax benefit @ 23.30%	(b)	-	414.14
Unabsorbed brought forward depreciation / business losses		**37,323.04**	37,750.68
Potential tax benefit @ 34.944%	(c)	**13,042.16**	13,191.60
Minimum Alternate Tax	(d)	**2,702.53**	2,702.53
Total Potential tax benefit	[(a)+(b)+(c)+(d)]	**15,744.69**	**16,467.59**

The unused tax losses are not likely to generate taxable income in near future.

36(f) - Unrecognised temporary differences

The Group has not recognised deferred tax asset / (liability) associated with fair value gains on Equity instruments measured at FVOCI as based on the management projection of future taxable income and existing plan, it is not probable that such difference will reverse in the foreseeable future.

36(g) - Income tax asset (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax asset [Net of provision of tax Rs.12,353.35 lakhs, (March 31, 2021: Rs.12,353.35 lakhs)]	**1,510.44**	1,085.49

36(h) - Income tax liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax liabilities [Net of advance tax Rs. 469.26 lakhs, (March 31, 2021: Rs. 469.26 lakhs)]	**20.59**	20.59

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 37 - Fair value measurements

Financial instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments in equity instruments other than subsidiary	-	63,195.59	102.92	-	44,245.79	85.42
Investments in mutual funds	-	-	-	-	69.67	-
Cash and bank balances	-	-	9,068.77	-	-	5,801.38
Loans	-	-	0.52	-	-	5.25
Security deposits	-	-	1,784.25	-	-	1,940.06
Bank deposits with more than 12 months maturity	-	-	440.98	-	-	508.44
Trade receivables	-	-	25,444.19	-	-	21,704.72
Others	-	-	116.24	-	-	87.13
Total financial assets	**-**	**63,195.59**	**36,957.87**	**-**	**44,315.46**	**30,132.40**
Financial liabilities						
Borrowings	-	-	12,235.50	-	-	14,777.53
Trade / Security deposits received	-	-	1,686.51	-	-	1,776.91
Trade payables	-	-	34,688.67	-	-	24,900.22
Trade payables for capital assets	-	-	-	-	-	7.32
Interest accrued but not due on borrowings	-	-	24.31	-	-	27.02
Interest accrued on others	-	-	283.82	-	-	283.82
Other advances	-	-	1,296.60	-	-	1,296.59
Unclaimed dividends	-	-	19.84	-	-	26.22
Lease liabilities	-	-	105.07	-	-	-
Total financial liabilities	**-**	**-**	**50,340.32**	**-**	**-**	**43,095.63**

Financial Asset and Liabilities measured at Fair Value - recurring fair value measurements	Level 1	Level 2	Total
As at March 31, 2022			
Quoted Equity investments measured at Fair value	63,195.59	-	63,195.59
As at March 31, 2021			
Quoted Equity investments measured at Fair value	44,245.79	-	44,245.79

Financial Assets and Financial Liabilities measured at Amortised cost for which fair values are disclosed - Level 3	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Assets				
Investments in Government securities	2.89	2.89	2.89	2.89
Investments in Unquoted Shares	100.03	100.03	82.53	82.53
Non-current Trade Receivables	-	-	33.20	33.20
Security deposits	324.05	324.05	472.08	472.08
Bank deposits with more than 12 months maturity	440.98	440.98	508.44	508.44
Others	0.55	0.55	0.55	0.55
Liabilities				
Borrowings	4,386.11	4,386.11	6,009.48	6,009.48
Trade / Security deposits received	353.75	353.75	385.50	385.50
Other financial liabilities	1,580.42	1,580.42	866.49	866.49

The carrying amounts of cash and bank balances, trade receivables, short term loans and security deposits given, govenment grant receivable, trade payables, payable for capital assets, short term borrowings and other current financial assets and liabilities are considered to be the same as their fair values due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the other unquoted equity investments is determined based on the report of the valuer
- the fair value of forward foreign exchange contracts is determined using foreign exchange rates at the balance sheet date.

(iii) Valuation processes

The finance department of the Group obtains assistance of independent and competent third party valuers to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This expert reports to the financial risk management team and Chief Financial Officer (CFO). Discussion of valuation processes and results are held between the CFO and the valuation team at least once every three months, in line with the Group's quarterly reporting periods.

The main level 3 inputs used by the Group are derived and evaluated as follows:

(a) Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

(b) Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the group's internal credit risk management committee.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the financial risk management team, CFO and the valuation experts. As part of this discussion, the team presents a report that explains the reason for the fair value movements.

Note 38 - Share Based Payments

(a) Employee option plan

The Mafatlal Employee Stock Option Scheme 2017 (ESOS 2017) of Mafatlal Industries Limited was approved by the Board of Directors of the Company at their meeting held on May 5, 2017 and finalised on August 10, 2017. At the Annual General Meeting held on August 02, 2017, the shareholders had approved the creation of employee stock option pool of 6,95,000 equity shares of face value of Rs.10/- each fully paid up on such terms and such manner as the Board may decide in accordance with the provisions of applicable law and proposed Mafatlal Employee Stock Option Scheme 2017 (ESOS 2017). The Company intends to implement ESOS 2017 with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Nomination & Remuneration Committee(NRC) will administer the ESOS 2017. On November 10, 2017 the NRC has granted 1,38,000 options with a progressive vesting to certain senior management employees and the vesting of options will be @15% on 1st anniversary, 20% on 2nd anniversary, 30% on 3rd anniversary, 35% on 4th anniversary, of grant date. Once vested the options remain excerisable for a period of four years.

In addition to the above, the Nomination and Remuneration Committee has at their meeting held on August 1, 2019 approved the grant of 3,18,000 employee stock options to certain management cadre employees of the Company under ESOS. The options will be vested after completion of one year from the date of grant i.e. August 1, 2020. Vested options are excercisable for a period of four years after vesting.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is fair market price of the share as on date of grant of options.

Set out below is a summary of options granted under the plan

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(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Average exercise price per share	Number of options	Average exercise price per share	Number of options
Opening Balance				
Options granted on November 10, 2017	**322.70**	**48,000**	322.70	72,000
Options granted on August 01, 2019	**78.65**	**2,04,500**	78.65	3,18,000
Excercised during the year				
Options granted on August 01, 2019	**78.65**	**1,47,000**	78.65	11,500
Forfeited during the year				
Options granted on November 10, 2017	**322.70**	**10,000**	322.70	24,000
Options granted on August 01, 2019	**78.65**	**-**	78.65	1,02,000
Closing Balance				
Options granted on November 10, 2017	**322.70**	**38,000**	322.70	**48,000**
Options granted on August 01, 2019	**78.65**	**57,500**	78.65	**2,04,500**

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Vesting Date	Expiry Date	Exercise price (INR)	Share options March 31, 2022	Fair value of options (INR)
10-Nov-17	10-Nov-18	10-Nov-22	322.70	**5,700**	108.92
10-Nov-17	10-Nov-19	10-Nov-23	322.70	**7,600**	126.71
10-Nov-17	10-Nov-20	10-Nov-24	322.70	**11,400**	146.18
10-Nov-17	10-Nov-21	10-Nov-25	322.70	**13,300**	156.18
01-Aug-19	01-Aug-20	01-Aug-24	78.65	**57,500**	25.08
Total				**95,500**	

(i) Fair Value of options granted

The weighted average fair value at grant date (November 10, 2017) of options granted during the year ended March 31, 2022 was Rs. 140.20 per option (March 31, 2021: Rs.140.20) and for the additional options, the weighted average fair value at grant date (August 1, 2019) of options granted during the year ended March 31, 2022 was Rs. 25.08 per option (March 31, 2021: Rs.25.08). The fair value at grant date is determined using the Black and Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of option.

The model inputs for options granted on November 10, 2017 included:

(a) options are granted for no consideration and vest upon completions of service for a period of 1-4 years. Vested options are excercisable for a period of four years after vesting.

(b) exercise price: Rs. 322.70

(c) grant date: November 10, 2017

(d) expiry date: November 10, 2022 - November 10, 2025

(e) share price at grant date: Rs. 314.10

(f) expected price volatility of the Company's shares: 48.32%-51.99%

(g) expected dividend yield: 1.69%

(h) risk free interest rate: 6.51% - 6.91%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

The model inputs for options granted on August 1, 2019 included:

(a) options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are excercisable for a period of four years after vesting.

(b) exercise price: Rs. 78.65

(c) grant date: August 1, 2019

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(d) expiry date: August 1, 2024

(e) share price at grant date: Rs. 78.65

(f) expected price volatility of the Company's shares: 42.29%

(g) expected dividend yield: 0%

(h) risk free interest rate: 5.97%

The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised in profit and loss as part of employee benefits expense were as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee option plan	**47.60**	24.18

Note 39 - Financial risk management

The Group's business activities exposes it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management and key management personnel have the ultimate responsibility for managing these risks. The Group has a mechanism to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's senior management and key management personnel are supported by the finance team and respective business divisions that provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to protect the Group's financial results and position from financial risks; and maintain market risks within acceptable parameters, while optimising returns.

(A) Management of liquidity risk

The principal sources of liquidity of the Group are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Group believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. The Group is cognizant of reputational risk that are associated with the liquidity risk and such risk is factored into the overall business strategy. The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

As at March 31, 2022	Note	Carrying amount	Less than 12 months	1 year to 3 years	More than 3 years
Borrowings	19, 22 and 24	**12,235.50**	**7,849.40**	**4,379.79**	**6.31**
Interest accrued but not due on borrowings	22	**24.31**	**24.31**	**-**	**-**
Trade payables	23	**34,688.67**	**34,688.67**	**-**	**-**
Trade / Security deposits	20 and 24	**1,686.51**	**1,332.76**	**353.75**	**-**
Lease liabilities	3(b)(ii)	**105.07**	**25.80**	**51.60**	**27.67**
Interest accrued on others	20	**283.82**	**-**	**283.82**	**-**
Other liabilities	20 and 24	**1,316.44**	**19.84**	**1,296.60**	**-**

As at March 31, 2021	Note	Carrying amount	Less than 12 months	1 year to 3 years	More than 3 years
Borrowings	19, 22 and 24	14,777.53	8,768.05	3,559.38	2,450.10
Interest accrued but not due on borrowings	22	27.02	27.02	-	-
Trade payables	23	24,900.22	24,900.22	-	-
Trade / Security deposits	20 and 24	1,776.91	1,391.41	385.50	-
Interest accrued on others	20	283.82	-	283.82	-
Other liabilities	20 and 24	1,322.81	744.92	577.89	-
Trade payables for capital assets	24	7.32	7.32	-	-

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(B) Management of market risk

The size and operations of the Group results in it being exposed to the following market risks that arise from its use of financial instruments:

i) price risk

ii) interest rate risk

iii) commodity risk

iv) foreign exchange risk

The above risks may affect income and expenses, or the value of its financial instruments of the Group. The objective of the Management of the Group for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group exposure to, and the management of these risks is explained below:

Potential impact of risk	Management policy	Sensitivity to risk
i) Price risk		
The Group is mainly exposed to the price risk due to its investments in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity price risk is related to the change in market reference price of the investments in equity securities. In general, these securities are not held for trading purposes. These investments are subject to changes in the market price of securities. The fair value of quoted equity instruments classified as fair value through Other Comprehensive Income as at March 31, 2022 is Rs.63,195.56 lakhs (March 31, 2021: Rs. 44,315.46 lakhs).	In order to manage its price risk arising from investments in equity instruments, the Group maintains its portfolio in accordance with the framework set by the Risk Management policies. Any new investment or divestment must be approved by the Board of Directors, Chief Financial Officer and Risk Management Committee.	As an estimation of the approximate impact of price risk, with respect to investments in equity instruments, the Group has calculated the impact as follows: For equity instruments, a 5% increase in Sensex prices would have led to an approximately additional Rs. 3,159.78 lakhs gain (March 31, 2021- Rs.2,215.77 lakhs). A 5% decrease in Sensex prices would have led to an equal but opposite effect.
ii) Interest rate risk		
a) Financial liabilities		
The Group is mainly exposed to interest rate risk due to its variable interest rate borrowings. The interest rate risk arises due to uncertainties about the future market interest rate of these borrowings. As at March 31, 2022 the exposure to interest rate risk due to variable interest rate borrowings amounted to Rs.8,141.25 lakhs (March 31, 2021: Rs. 14,377.53 lakhs)	The Group monitors fluctuations in interest rate continuously and has laid policies and guidelines including to minimise impact of interest rate risk.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Group has calculated the impact of a 25 bps change in interest rates. A 25 bps increase in interest rates would have led to approximately an additional loss of Rs. 20.35 lakhs (March 31, 2021: Rs. 35.94 lakhs additional loss). A 25 bps decrease in interest rates would have led to an equal but opposite effect.
iii) Foreign exchange risk		
The Group has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency (INR) of the Group. The risk also includes highly probable foreign currency cash flows.	The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, GBP and AED The aim of the Group's approach is to manage the currency risk and to leave the Group with no material residual risk. This aim has been achieved in all years presented.	As an estimation of the approximate impact of the foreign exchange rate risk, with respect to Financial Statements, the Group has calculated the following: For derivative and non-derivative financial instruments, a 5% increase in the spot price as on the reporting date would result in increase in profit and equity as of Rs. 51.85 lakhs (March 31, 2021: gain of Rs. 40.69 lakhs). A 5% decrease would have led to an equal but opposite effect.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:-

As at March 31, 2022		As at March 31, 2021	
Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
Rs in lakhs	(Amount in Foreign currency) (in lakhs)	Rs in lakhs	(Amount in Foreign currency) (in lakhs)
Receivable		Receivable	
619.43	USD 8.17	517.30	USD 7.08
599.82	AED 29.07	522.81	AED 26.26
Payable		Payable	
175.14	USD 2.31	217.04	USD 2.97
6.95	GBP 0.07	9.32	GBP 0.09

(C) Management of credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large, diverse and across sectors and countries. All trade receivables are reviewed and assessed for default on a quarterly basis.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

i) Actual or expected significant adverse changes in business,

ii) Actual or expected significant changes in the operating results of the counterparty,

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,

iv) Significant increase in credit risk on other financial instruments of the same counterparty,

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

In furtherance to above, the Group has assessed the impact of the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised in respect of trade receivables. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the micro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks. The Group has a diversified portfolio of investment with various number of counterparties which have secure credit ratings, hence the risk is reduced. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the treasury department of the Group.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in the Statement of Profit and Loss.

Note 40 - Capital Management

(a) Risk management

The Group's objectives when managing capital are to safeguard Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents and other bank balances. Total capital is calculated as 'Equity' as shown in the balance sheet.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Description	As at March 31, 2022	As at March 31, 2021
Total Equity (A)	**68,630.23**	**46,653.26**
Non-Current Borrowings	**4,386.11**	6,009.48
Current Borrowings	**7,849.39**	8,768.05
Gross Debt (B)	**12,235.50**	**14,777.53**
Gross Debt as above		
Less: Cash and Cash Equivalents	**5,369.00**	3,547.52
Less: Other balances with bank	**3,699.77**	2,253.86
Less: Other non-current bank balances with maturity more than 12 months	**440.98**	508.44
Net Debt (C)	**2,725.75**	**8,467.71**
Net Debt to Equity (C/A)	**0.04**	**0.18**

Note 41 - Employee benefit obligations

Particulars	As at March 31, 2022	As at March 31, 2021
Compensated Absences (Refer Note 25)	**352.21**	316.92
Gratuity (Refer Note 25)	**898.46**	760.01
Total	**1,250.67**	**1,076.93**

(i) Compensated Absences

The employees of the Group are entitled to compensated absences as per the policy of the Group. The entire amount of the provision of compensated absences is presented as current, since the Group does not have an unconditional right to defer settlement for the obligation. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2022	As at March 31, 2021
Current leave obligations not expected to be settled within the next 12 months	**305.40**	258.34

(ii) Post employment obligations

(a) Defined Contribution Plans:

The Group contributes towards Employees State Insurance Scheme, Family Pension Fund, Superannuation Fund and Provident Fund for certain employees. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Group has recognised contribution to these funds aggregating to Rs. 279.73 lakhs (March 31, 2021: Rs. 277.69 lakhs) (Refer Note 31).

(b) Defined Benefit Plans:

Gratuity

The Group provides for gratuity for employees as per the Group policy. The amount of gratuity payable on retirement / termination is payable to the employees based on last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group has established Fund to which the Group makes contribution for certain employees whereas for some other employees the Group makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.The contributions are made based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method. The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Statement of Profit and Loss except remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability which are recognised in other comprehensive income.

Provident fund

In respect of certain employees, provident fund contributions are made to a separately administered trust. Such contribution to the provident fund are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the guaranteed specified interest rate, the same is provided for by the Group. The actuary has provided an actuarial valuation and the interest shortfall liability, if any, has been provided in the books of accounts after considering the assets available with the provident fund trust.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

GRATUITY

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2020	2,757.79	2,048.85	708.93
Interest Expense / (Income)	188.64	140.15	48.49
Current Service Cost	130.55	-	130.55
Total Amount Recognised in Profit and Loss	**319.19**	**140.15**	**179.04**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/ (income)	-	31.05	(31.05)
(Gain) / loss from change in demographic assumptions / acturial gains / losses	21.84	-	21.84
(Gain) / loss from change in financial assumptions	54.48	-	54.48
Experience (gains) / losses	(54.48)	-	(54.48)
Total Amount Recognised in Other Comprehensive Income	**21.84**	**31.05**	**(9.21)**
Employer Contributions	1.56	110.85	(109.29)
Benefit Payments	(1,449.77)	(1,440.30)	(9.47)
Balance as on March 31, 2021	**1,650.61**	**890.60**	**760.01**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As on April 01, 2021	**1,650.61**	**890.60**	**760.01**
Interest Expense/(Income)	264.66	59.02	205.64
Current Service Cost	98.30	-	98.30
Total Amount Recognised in Profit and Loss	**362.96**	**59.02**	**303.94**
Remeasurements			
Return on plan assets, excluding amount included in interest expense / (income)	-	8.29	(8.29)
(Gain) / loss from change in demographic assumptions / acturial gains / losses	(1.26)	-	(1.26)
(Gain) / loss from change in financial assumptions	21.65	-	21.65
Experience (gains) / losses	96.57	-	96.57
Total Amount Recognised in Other Comprehensive Income	**116.96**	**8.29**	**108.67**
Employer Contributions	-	272.02	(272.02)
Benefit Payments	(312.55)	(310.42)	(2.13)
Balance as on March 31, 2022	**1,817.97**	**919.51**	**898.46**

PROVIDENT FUND

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2020	**2,054.53**	**2,174.95**	**(120.41)**
Opening Balance adjustment	(17.23)	(24.89)	7.66
Interest Expense / (Income)	169.55	169.55	-
Current Service Cost	64.68	-	64.68
Employee Contributions	92.56	157.24	(64.68)
Return on plan assets	-	(20.36)	20.36
Benefit Payments	(578.35)	(578.35)	-
Balance as on March 31, 2021 *	**1,785.74**	**1,878.14**	**(92.40)**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Present Value of Obligation	Fair Value of plan Assets	Net Amount
As on April 01, 2021	**1,785.74**	**1,878.14**	**(92.40)**
Opening Balance adjustment	24.98	(53.74)	78.72
Interest Expense / (Income)	134.18	134.18	-
Current Service Cost	59.22	-	59.22
Contributions	82.74	141.97	(59.23)
Return on plan assets	-	50.46	(50.46)
Benefit Payments	(395.90)	(395.90)	-
Balance as on March 31, 2022 *	**1,690.96**	**1,755.11**	**(64.15)**

* Excess of the asset over liability is not recognised in the financial statements.

Following tables show breakdown of the defined benefit obligations and plan assets:

GRATUITY

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Obligations	**1,817.97**	1,650.61
Fair Value of Plan Assets	**919.51**	890.60
Net (Asset) / Liability	**898.46**	**760.01**

PROVIDENT FUND

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Obligations	**1,690.96**	1,785.74
Fair Value of Plan Assets	**1,755.11**	1,878.14
Net (Asset) / Liability *	**(64.15)**	**(92.40)**

* Excess of the asset over liability is not recognised in the financial statements.

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate / Return on plan assets		
Gratuity	**7.15% - 7.31%**	6.86% - 6.95%
Guaranted Return		
Provident fund	**8.10%**	8.50%
Rate of salary increase		
Gratuity	**5.00% - 6.00%**	4.50% - 6.00%
Rate of employee turnover		
Gratuity	**3.00%**	3.00%
Mortality rate during employment	**Indian assured lives mortality (2012-14) (Urban)**	Indian assured lives mortality (2006-08)

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Sensitivity Analysis

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

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate / Return on plan assets				
Gratuity	**(57.34)**	(55.15)	**60.66**	58.35
Rate of salary increase				
Gratuity	**61.40**	59.42	**(58.75)**	(56.62)
Rate of employee turnover				
Gratuity	**6.23**	8.73	**(6.54)**	(9.15)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iii) The major categories of plans assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') and Trust managed by the Fund as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(iv) Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Demographic Risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. 100% of the plan asset investments is in insurer managed funds. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level.

Salary Inflation Risk: Higher than expected increases in salary will increase the defined benefit obligation

Interest-Rate Risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

(v) Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2023 are Rs.167.78 lakhs.

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2021: 8 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Maturity Analysis of the Projected Benefit Obligations - Gratuity

Particulars	As at March 31, 2022	As at March 31, 2021
1st Following Year	**70.29**	87.50
2nd Following Year	**176.11**	117.17
3rd Following Year	**168.94**	79.56
4th Following Year	**140.92**	79.58
5th following year	**321.14**	182.97
Sum of 6th to 10th Following Year	**980.08**	953.24

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 42 - Related party transactions

I Name of related parties and nature of relationship:

A) **Key Management Personnel**

H. A. Mafatlal (Executive Chairman)

Priyavrata H. Mafatlal (Son of Shri H. A. Mafatlal) [Managing Director and Chief Executive Officer (CEO) till March 31, 2022] (Managing Director w.e.f. April 1, 2022)

M.B. Raghunath (CEO w.e.f. April 1, 2022)

Atul K. Srivastava (Non Executive Independent Director)

Vilas R. Gupte (Non Executive Independent Director)

Pradip N. Kapadia (Non Executive Independent Director)

Latika P. Pradhan (Non Executive Independent Director)

Gautam G. Chakravarti (Non Executive Independent Director)

Sujal A. Shah (Non Executive Independent Director)

B) **Individual having significant influence**

H. A. Mafatlal

C) **Enterprises over which key management personnel and their relatives are able to exercise significant influence (with whom transactions have taken place)**

NOCIL Limited

Gayatri Pestichem Manufacturing Private Limited

MAF Technologies Private Limited (w.e.f. November 27, 2020)

D) **Enterprises over which individual having significant influence and relatives of such individual are able to exercise significant influence (with whom transactions have taken place)**

Sumil Trading Private Limited

Intensive Clothing Care Unit

E) **Post employment benefit plan**

The Mafatlal Gagalbhai & Sons and the Associate Concerns Officer's Superanuation Scheme

Mafatlal Industries Limited - Employees Gratuity Fund

Mafatlal Industries Limited - Employees Provident Fund

Mafatlal Denim Limited - Employees Provident Fund**

Mafatlal Denim Limited - Employees Superannuation Fund**

*** No transactions during the year.*

II Transactions with related parties

The following transactions occurred with related parties:

A) Key Management personnel compensation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Directors Remuneration		
Short-term employee benefits		
Priyavrata H. Mafatlal	**126.92**	58.65
Post-employment benefits	*	*
Long-term employee benefits	*	*
Directors' sitting fees		
Latika P. Pradhan	**11.20**	8.70
Atul K. Srivastava	**7.70**	8.20
Pradip. N. Kapadia	**11.20**	8.20
Gautam G. Chakravarti	**12.60**	10.70
Sujal A. Shah	**10.50**	8.70
Vilas. R. Gupte	**11.90**	8.70
Total compensation	**192.02**	**111.85**

**Compensation excludes provision for gratuity, provident fund and compensated absences since these are based on actuarial valuation on an overall company basis.*

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

B) Transactions during the year / previous year:

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	**Sale of Goods and Services**		
	Sumil Trading Private Limited	**60.68**	0.04
(ii)	**Other Operating Revenues**		
	NOCIL Limited	**7.05**	4.83
(iii)	**Dividend Income**		
	NOCIL Limited	**505.18**	-
(iv)	**Purchase of goods and services (Expense)**		
	Sumil Trading Private Limited	**1,310.11**	229.58
(v)	**Reimbursement of expenses**		
	MAF Technologies Private Limited	**-**	20.46
(vi)	**Lease and License Fees**		
	Gayatri Pestichem Manufacturing Private Limited	**0.13**	0.13
	Sumil Trading Private Limited	**2.65**	3.00
	Intensive Clothing Care Unit	**2.72**	-
(vii)	**Payment for Post employment benefit plan**		
	The Mafatlal Gagalbhai & Sons and the associate concerns officer's superanuation scheme	**145.45**	16.99
	Mafatlal Industries Limited Employees Gratuity Fund	**272.02**	110.85
	Mafatlal Industries Limited Employees Provident Fund	**141.97**	157.24

C) Balances as at year-end

	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	**Amount due from**		
	Trade and other receivables:		
	NOCIL Limited	**1.81**	-
	Intensive Clothing Care Unit	**0.51**	-
(ii)	**Amount due to**		
	Trade and other payables:		
	Sumil Trading Private Limited	**459.95**	220.88
	NOCIL Limited	**-**	0.60
(iii)	**Investments in Related Parties**		
	NOCIL Limited (FVOCI)	**63,008.75**	44,102.32

Terms and conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

Note 43 - Contingent liabilities and contingent assets

(a) Contingent liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Matters	**2,578.00**	2,529.91
Central excise and related matters	**240.55**	240.55
Central excise and service tax matters	**2,960.55**	2,960.55
Labour Law matters	**173.64**	158.87
Director General of Foreign Trade matters	**4.79**	4.79
Total	**5,957.53**	**5,894.67**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

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

In case of Mafatlal Centre:

A demand for Rs. 2,696.98 lakhs (March 31, 2021: Rs. 2,696.98 lakhs) for the period from 2004-07 and 2008-10 was raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by various owners for the respective floors. The demand has been challenged by owners of various floors at appropriate forum and the matter is subjudice. In case the demand is finally upheld, the amount will be paid by the concerned co-owners and the Group will have no additional liability.

In case of Mafatlal Chambers:

A demand for Rs. 792.46 lakhs (March 31, 2021: Rs. 792.46 lakhs) for the period 2000-05 has been raised by Brihanmumbai Mahanagarpalika ('BMC') towards property taxes in respect of the properties owned by the Group at the relevant time. The said demand has been disputed by the Group. As per the directions given by the Honourable Bombay High Court, the BMC has granted hearing to the Group and the final outcome is awaited.

(c) It is not practicable for the Group to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(d) The Group does not expect any reimbursement in respect of the above contingent liabilities.

(e) The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(f) Contingent liability relating to determination of provident fund liability, based on judgement from Hon'ble Supreme Court, is not determinable at present for the period prior to March, 2019, due to uncertainty of the impact of the judgement in the absence of further clarification relating to applicability. The Group has paid Provident Fund to employees as applicable with effect from March 2019. The Group will continue to assess any further developments in this matter for its implication on the financial statements, if any.

Note 44 - Commitments

Operating Lease - Group as lessor

The Group has entered into non-cancellable operating lease arrangements for certain office premises. The tenure of such agreements ranges from eleven to sixty months. (Refer Note 4)

Particulars	As at March 31, 2022	As at March 31, 2021
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**247.44**	206.53
Later than one year but not later than five years	**298.31**	224.99
Total	**545.75**	**431.52**

The rental income from investment properties given on lease of Rs. 359.03 lakhs (March 31, 2021: 292.74 lakhs) has been disclosed in Note 28(a) - Other income to the Statement of Profit and Loss.

Operating Lease - Group as Lessee

Amounts recognised in the Statement of Profit and Loss as as follow:

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Depreciation expense of Right-of-use assets	3(b)(i), 33	**7.32**	66.83
Expense relating to short-term leases (included in other expenses)	34	**12.72**	27.50

The total cash outflow for leases for the year ended March 31, 2022 was Rs. 21.12 lakhs (March 31, 2021: Rs. 94.33 lakhs), including short term lease payments.

Note 45 - Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM consists of Chairman, Managing Director and CEO who are responsible for allocating resources and assessing performance of the operating segments. The Group has identified Textile Business 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.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from Operations	**95,195.27**	**3,884.44**	**99,079.71**	56,356.77	3,930.30	**60,287.07**

Segment Assets

Particulars	As at March 31, 2022		As at March 31, 2021	
	Within India	Outside India	Within India	Outside India
Non-current assets excluding financial assets, deferred tax assets and income tax assets	**9,818.75**	**-**	12,255.60	-

The Group has revenue of more than 10% from the Directorate of Food and Consumer Affairs, Jharkhand amounting to Rs. 37,231.00 lakhs during the current year.

Note 46 - Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Basic and Diluted Earnings / (Loss) Per Share		
Profit / (Loss) after taxation	**2,865.57**	(9,396.81)
Weighted average number of shares for Basic EPS (Nos.)	**1,39,92,085**	1,39,14,803
Weighted average number of shares for Diluted EPS (Nos.)	**1,40,25,333**	1,39,14,803
Nominal Value of shares outstanding	**10**	10
Basic Earnings / (Loss) Per Share	**20.48**	(67.53)
Diluted Earnings / (Loss) Per Share	**20.43**	(67.53)
Weighted average number of shares used as the denominator		
Opening Balance	**1,39,24,386**	1,39,12,886
Issued during the year	**1,47,000**	11,500
Closing Balance	**1,40,71,386**	1,39,24,386
Weighted average number of shares used as the denominator for calculating basic and diluted earnings per share	**1,39,92,085**	1,39,14,803

Note 47 - Government Grant

Export Promotion Capital Goods (EPCG): This scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on such capital goods. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as a Capital Grant as stated in the Accounting policy on Government Grant (Refer note 2).

Technology Upgradation Fund Scheme (TUFS): The Group is entitled to subsidy, on its investment in the property, plant and equipment, on fulfilment of the conditions stated in the Scheme.

Duty Drawback Scheme: Under Duty drawback scheme, the Group receives certain percentage of export proceeds as a duty drawback from custom authorities on export of products.

Incremental Incentive Scheme: Under incremental incentive scheme, Group receives scrips for incremental exports.

These subsidies being Government grant with primary condition as export of products are accounted as a revenue grant as stated in the accounting policy on Government grant (Refer note 2).

The Government Grant above represents unamortised amount of the subsidy referred below, with the corresponding adjustment to the carrying amount of property, plant and equipment (Refer note 3).

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	**401.49**	**531.67**
Grants during the year	**-**	-
Less: Released to Statement of Profit and Loss [Refer Note 28(a)]	**(130.18)**	(130.18)
Closing balance	**271.31**	**401.49**

Description	As at March 31, 2022	As at March 31, 2021
Current portion (Refer Note 26)	**130.18**	130.18
Non-current portion (Refer Note 21)	**141.13**	271.31
Total	**271.31**	**401.49**

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 48(a) - Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Current			
Financial Assets			
First and Second Charge			
Trade receivables	11(b)	**25,353.59**	21,453.51
Deposits with banks	13	**170.88**	-
Non-Financial Assets			
Inventories	10	**7,195.88**	2,446.96
Assets held for sale	17	**-**	68.23
Total Current assets pledged as security		**32,720.35**	**23,968.70**
Non-Current			
First and Second Charge			
Financial Assets			
Investments	6	**12,568.18**	11,335.14
Deposit with bank	6	**82.50**	40.98
Non-Financial Assets			
Land	3(a)	**5.23**	8.45
Building	3(a)	**232.21**	1,799.22
Plant and Machinery	3(a)	**7,469.35**	8,623.65
Investment Property	4	**229.44**	225.77
Vehicles	3(a)	**83.43**	58.35
Total Non-Current assets pledged as security		**20,670.34**	**22,091.56**
Total assets pledged as security		**53,390.69**	**46,060.26**

Note 48(b) - Borrowing secured against current assets

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns of statements of current assets filed by the Group with banks are in agreement with the books of accounts, except for the following statements in the table below:

Quarter	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
June, 2021	ICICI bank	Trade receivables	15,628.97	13,089.67	2,539.30	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,539.30 lakhs
September, 2021	ICICI bank	Trade receivables	27,842.34	25,313.85	2,528.49	The difference is due to subsequent reclassification of advances from customers to liabilities - Rs. 2,528.49 lakhs
December, 2021	ICICI bank	Trade receivables	16,615.29	14,866.10	1,749.19	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,606.95 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 857.76 lakhs)
December, 2021	ICICI bank	Invenotries	3,000.14	2,308.31	691.83	Period-end revenue cut-off adjustment procedures
March, 2022	ICICI bank	Trade receivables	22,057.15	20,966.37	1,090.78	The difference is due to the following: (i) Subsequent reclassification of advances from customers to liabilities - Rs. 2,505.10 lakhs (ii) The above is partially offset consequent to period-end revenue cut-off adjustment procedures - (Rs. 1,414.32 lakhs)
March, 2022	ICICI bank	Invenotries	2,636.34	1,388.00	1,248.34	Period-end revenue cut-off adjustment procedures

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 49: Interests in other entities

(a) Subsidiaries

The Consolidated Financial Statements present the Consolidated Accounts of Mafatlal Industries Limited with its following subsidiaries:

Name of the subsidiary	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Mafatlal Services Limited (MSL)	India	**88.00%**	88.00%	**12.00%**	12.00%
Vrata Tech Solutions Private Limited (VTS)	India	**77.78%**	100.00%	**22.22%**	-

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for both the subsidiaries that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Year ended March 31, 2022	Year ended March 31, 2021
Current assets	**136.73**	48.52
Current liabilities	**83.86**	21.73
Net current assets	**52.87**	**26.79**
Non-current assets	**165.11**	36.15
Non-current liabilities	**109.86**	4.78
Net non-current assets	**55.25**	**31.37**
Net assets	**108.12**	**58.16**
Accumulated NCI	**23.11**	**4.69**

Summarised statement of Profit and Loss	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	**527.05**	87.88
Profit for the year	**(63.55)**	(21.39)
Total comprehensive income	**(63.55)**	(21.39)
Profit allocated to NCI	**(10.73)**	*
Dividends paid to NCI	**-**	-
*Amount is below the rounding off norm adopted by the company.		

Summarised cash flows	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities	**77.84**	(26.10)
Cash flows from investing activities	**(119.03)**	42.33
Cash flows from financing activities	**106.28**	-
Net increase/ (decrease) in cash and cash equivalents	**65.09**	**16.23**

(c) Transactions with Non-Controlling interest

There are no transactions with non-controlling interests for any of the reported years.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 50

Additional information required by Schedule III

Particulars	March 31, 2022		March 31, 2021	
	As a % of Consolidated	Amount	As a % of Consolidated	Amount
Parent				
Mafatlal Industries Limited				
Net Assets i.e Total assets minus total liabilities	**99.85%**	**68,524.74**	99.99%	46,641.64
Share in profit or (loss)	**100.37%**	**2,876.30**	100.00%	(9,396.81)
Share in other comprehensive income	**100.00%**	**18,841.87**	100.00%	27,549.31
Share in total comprehensive income	**100.05%**	**21,718.17**	100.00%	18,152.50
Subsidiaries				
Mafatlal Services Limited and Vrata Tech Solutions Pvt. Ltd				
Net Assets i.e Total assets minus total liabilities	**0.15%**	**105.49**	0.01%	11.62
Share in profit or (loss)	**(0.37%)**	**(10.73)**	0.00%	*
Share in other comprehensive income	**0.00%**	**-**	0.00%	-
Share in total comprehensive income	**(0.05%)**	**(10.73)**	0.00%	*

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

Note 51

The economic activities were severely disrupted, in India as well as globally owing to the Covid-19 pandemic. The Management had carried out a detailed assessment of the impact of Covid 19, after taking into consideration various internal and external information available, on its business operation, liquidity position and on recoverability of carrying value of assets including property, plant and equipment, investment properties, assets held for sale, inventories, investments, trade receivables and deferred tax assets. Based on assessment of the management, an adequate provision for doubtful debts and slow moving / non-moving inventory has been recognised (Refer note 35). The impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the eventual outcome of the impact may be different from that estimated as at the date of approval of these financial results. The Group will continue to monitor any material changes to future economic conditions.

Note 52

(i) As legally advised, the Group has not recognized as income recovery of rent and other charges of Rs. 83.61 lakhs upto March 31, 2022 (Rs. 83.61 lakhs upto March 31, 2021) pending final resolution of legal dispute with certain ex-tenants of a property in South Mumbai. At present, the legal dispute is pending with the Hon'ble Bombay High Court. A sum of Rs. 577.89 lakhs (Net) was withdrawn by the Group in accordance with the Orders passed by the Hon'ble High Court of Bombay on the Civil Revision Applications filed by the ex-tenants and the said amount of Rs. 577.89 lakhs has been included in other current liabilities.

(ii) In an earlier year, the Group had sold part of its leasehold land at its Mazgaon unit. During the previous financial year, the Group has surrendered the remaining leasehold land (reserved portion admeasuring about 27,287.82 square meters) to Municipal Corporation of Greater Mumbai for the purpose of extension of V.J.B. Udyan. The Group is also required to recommence the spinning unit which can accommodate 10,000 spindles. By virtue of the agreement, the developer will construct a structure and hand it over to the Group.

(iii) Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Group are to be issued one equity share of Rs.10/- each, fully paid-up, in SSL for every 500 shares of Rs. 100/- each, fully paid-up, held in the Group as consideration for the demerger, aggregating to Rs.1.00 lakh. As the shareholders of the Group would be entitled to receive only fractional shares of SSL, the rehabilitation scheme sanctioned by BIFR envisages that these shares would be acquired by Navin Fluorine International Limited (NFIL) and the shareholders of the Group would receive proportionate payment in consideration thereof. The Group has received the said amount of Rs. 1.00 lakh from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities.

(iv) During the financial year ended March 31, 2022 there is no change in the status of the litigation in respect of Group's entitlement for Transfer of Development Rights against surrender of part of leasehold land at Mazagaon to Municipal Corporation of Greater Mumbai as compared to March 31, 2019.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 53

The consolidated financial statements of the Group - Mafatlal Industries Limited have been prepared in accordance with Indian Accounting Standard (Ind.AS) - 110 on 'Consolidated Financial Statements'. The details of such entities are as under:

Name of the entity	% Holding of the Group
Mafatlal Services Limited (subsidiary incorporated in India)	88.00%
Ibiza Industries Limited	54.89%
Sunanda Industries Limited	94.00%
Al Fahim Mafatlal Textile LLC - UAE	49.00%
Mafatlal Limited (incorporated in United Kingdom)	29.83%
Mafatlal Engineering Industries Limited (incorporated in United Kingdom)	22.18%
Mafatlal Global Apparel Limited (since 29th September 2012)	-
Vrata Tech Solutions Private Limited	77.78%

(a) There has been no change in the percentage holding of the Group in its subsidiaries during the year ended March 31, 2021. During the year ended March 31, 2022, shareholding of Vrata Tech Solutions Private Limited reduced from 100.00% as at March 31, 2021 to 77.78% due to additional shares issued to another shareholder. (Refer Note 49)

(b) Consequent to Ibiza Industries Limited (IIL) and Sunanda Industries Limited (SIL) which have gone under liquidation in the earlier years, the Group effectively has no control over IIL and SIL. The liquidation is being carried out by court appointed liquidator. In absence of power over the relevant activities and variable returns, the Group effectively has no control over above entities. Hence, in accordance with the requirements of Ind AS -110 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI) and specified under Section 133 of the Companies Act, 2013, the same have not been consolidated.

(c) In case of Al Fahim Mafatlal Textile LLC - UAE - the joint venture, it is in the process of liquidation and hence the Group does not have joint control over the entity. Accordingly the unaudited financial statement have not been considered for consolidation.

(d) The other entities are in the process of liquidation and the Group ceases to have any significant influence over these entities and accordingly they have not been considered for consolidation.

Note 54 - Details of Research and Development

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee benefits expense	**70.50**	45.36
Consumables	**2.15**	1.81
Repairs and Maintenance	**3.83**	1.20
Total	**76.48**	**48.37**

Note: 55 - Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions(Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(v) Valuation of Property, plant and equipment, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

Notes forming part of the Consolidated Financial Statements as at and for the year ended March 31, 2022

(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

Note 56: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures.

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

In terms of our report attached	**For and on behalf of the Board of Directors**			
For Price Waterhouse Chartered Accountants LLP Registration No.012754N / N500016	**H. A. Mafatlal** Chairman (DIN:00009872)	**P. H. Mafatlal** Managing Director (DIN:02433237)	**M. P. Shah** Chief Financial Officer	**A. P. Shah** Company Secretary
Priyanshu Gundana Partner Membership No. 109553 Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022	Mumbai, May 28, 2022

Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of the subsidiary and the joint venture.

Part "A" Subsidiaries

(All amounts in ₹ Lakhs, unless otherwise stated

Srl no.	Name of the Subsidiary Company	Mafatlal Services Limited	Vrata Tech Solutions Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2021 to March 31, 2022	April 1, 2021 to March 31, 2022
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the each of foreign subsidiaries	INR	INR
3	Share capital	310.00	57.86
4	Other Equity	(305.33)	45.58
5	Total assets	13.23	288.61
6	Total Liabilities	8.55	185.17
7	Investments	-	-
8	Turnover	26.32	501.77
9	Loss before taxation	(33.20)	(40.21)
10	Provision for taxation	-	9.88
11	Profit after taxation	(33.20)	(30.33)
12	Proposed Dividend	-	-
13	% of shareholding	88%	78%

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

INSTRUCTIONS TO THE SHAREHOLDERS FOR E-VOTING, ATTENDING AGM THROUGH VIDEO CONFERENCING, REGISTERING AS SPEAKER ETC.

This is to inform you that **108th Annual General Meeting ('AGM'**) is scheduled to be held on **Saturday, July 30, 2022 at 12:00 noon** through video conferencing ('VC') / other audio-visual means ('OAVM').

The Annual Report for FY 2021-22 along with Notice of the AGM is available and can be downloaded from the Company's website www.mafatlals.com under "Investors" section" and also at the website of KFintechnologies Limited ('KFintech') the Registrar & Share Transfer Agents (RTA) of the Company www.kfintech.com.

Please note that in view of the continuing Covid-19 pandemic the Ministry of Corporate Affairs (MCA) has vide its circular dated April 8, 2020 read with circulars dated April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. Accordingly, in compliance with the applicable Circulars issued by MCA & SEBI and the relevant provisions of the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the AGM of the Company is being held through VC/OAVM.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014. As amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system (remote e-voting) provided by Kfintech and also digital voting during the AGM to those members who have not voted through remote e-voting.

The e-voting period commences on **Wednesday, July 27, 2022 (9:00 a.m. IST) and ends on Friday, July 29, 2022 (5:00 p.m. IST).**

During this period, Members holding shares either in physical form or in dematerialised form as on Saturday, July 23, 2022 i.e. cut-off date, may cast their votes electronically. The e-voting module shall be disabled by KFintech for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

The voting rights of Members shall be in proportion to the equity shares held by them in the paid-up equity share capital of the Company as on Saturday, July 23, 2022 (cut-off date). Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote electronically on all the resolutions set forth in the Notice of AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, E-VOTING & ATTENDANCE AT AGM:

1. e-AGM: Company has appointed KFintech to provide VC / OAVM facility for the AGM and the attendant enablers for conducting of the e-AGM.

2. Pursuant to the provisions of the circulars of MCA on the VC/OVAM(e-AGM):

    a. Members can attend the meeting through login credentials provided to them to connect to VC / OAVM. Physical attendance of the Members at the Meeting venue is not required.

    b. Option of appointment of proxy to attend and cast vote on behalf of the member is not available.

    c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

4. To start with 1000 members will be able to join on a FIFO basis to the e-AGM.

5. No restrictions on account of FIFO entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding). Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

6. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Members are requested to register their email IDs with KFintech if shares are held by them in physical form or with their respective DPs if shares are held by them in demat form. Those Members who have not registered their email IDs may send an email request to einward.ris@kfntech.com along with the following documents for obtaining the Annual Report, Notice of AGM with e-voting instructions and login credentials (a) In case shares are held in physical mode, please provide folio no., name, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of any address proof; (b) In case shares are held in demat mode, please provide DPID-Client ID (8 digit DPID + 8 digit client ID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, self-attested scanned copy of any address proof, (c) After due verification, KFintech will forward login credentials to Member's registered email ID; (d) After this, Member may follow the remote e-voting instructions given in this Notice.

Instructions for the Members for attending the e-AGM through VC / OAVM:

1. Attending e-AGM: Member will be provided with a facility to attend the e-AGM through VC / OAVM platform being provided by KFintech. Members may access the same at https://emeetings.kfntech.com and click on the "video conference" and access the shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.
2. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
3. Members are encouraged to Join the Meeting through Laptops with Google Chrome for better experience.
4. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into https://emeetings.kfntech.com and click on "Post your questions'' may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only, the shareholder continue to hold the shares as of cut-off date benpos.
7. Due to limitations of transmission and coordination during the Q&A session, the Chairman may dispense with the speaker registration during the e-AGM conference.
8. **Speaker Registration during e-AGM session:** In case of decision to allow the Q&A session in the meeting, members may log into https://emeetings.kfntech.com and click on "Speaker Registration, by mentioning the demat account number/folio number, city, email id, mobile number and submit.

   Members who wish to be a Speaker or would like to express their views or ask Questions during the AGM may register themselves as a "speaker, by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at agm.speaker@mafatlals.com from Monday, July 25, 2022 (9:00 a.m. IST) and ends on Thursday, July 28, 2022 (5:00 p.m. IST).

   Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Remote Voting through electronic means

In terms of the provisions of section 108 of the Act. read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on Saturday, 23rd July, 2022 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFintech or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The details of the process and manner for remote e-voting are given below:

i. Initial password is provided in the body of the email.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./Dp ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the details appropriately, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$ etc.).it is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. Mafatlal Industries Limited.

viii. On the voting page the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR /'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. All Members including Institutional Investors, are encouraged to attend and vote at the AGM. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote to the Scrutinizer through email at umesh@umeshvedcs.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'MAFA_EVENT No.'

xii. Members can cast their vote online from Wednesday, 27th July, 2022 (9.00 a.m.) till Friday,29th July, 2022 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

xiii. In case of any 'queries/grievances' you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the Download' section of https://evoting.kfintech.com or call KFintech on 1800 3454 001 (toll free).

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Individual Members (holding securities in demat mode) login through Depository

Login method for Individual members holding securities in demat mode is given below:

NSDL	CDSL
1. User already registered for IDeAS facility: URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period	**1. Existing user who have opted for Easi / Easiest** URL: www.cdslindia.com Click on New System Myeasi Login with user id and password. Option will be made available to reach e-Voting page without any further authentication. Click on e-Voting service provider name to cast your vote.
2. User not registered for IDeAS e-Services To register click on link : https://eservices.nsdl.com Select "Register Online for IDeAS" Proceed with completing the required fields. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.	**2. User not registered for Easi/Easiest** Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required fields. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
3. By visiting the e-Voting website of NSDL URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**3. By visiting the e-Voting website of CDSL** URL: www.cdslindia.com Provide demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress.

Individual Members (holding securities in demat mode) login through their depository participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once logged in, you will be able to see the e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Login method for non-individual Members and Members holding shares in physical form are given below :

Procedure and Instructions for remote e-voting are as under:

Initial password is provided in the body of the email.

Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with RTA for e-voting, you can use your existing User ID and password for casting your votes.

User ID: For Members holding shares in Demat Form:-

For NSDL: 8 character DP ID followed by 8 digits Client ID. For CDSL: 16 digits beneficiary ID.

For CDSL: 16 digits beneficiary ID.

User ID: For members holding shares in Physical Form:

Event Number followed by Folio No. registered with the Company.

Password: Your unique password is sent via e-mail forwarded through the electronic notice.

Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons

xiv. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Saturday, July 23, 2022. Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Saturday, July 23, 2022, may obtain the User ID and Password in the manner as mentioned below:

(a) If the mobile number of the Member is registered against Folio No./DP ID and Client ID, the Member may send SMS : MYEPWD <space> E-Voting Event Number + Folio No. or DP ID and Client ID to No. 9212993399 Example for NSDL: MYEPWD <SPACE> IN12345612345678 Example for CDSL: MYEPWD <SPACE> 1402345612345678 Example for Physical: MYEPWD <SPACE> XXXX1234567890

(b) If e-mail address or mobile number of the Member is registered against Folio No./DP ID and Client ID, then on the home page of https://evoting.kfintech.com, Member may click "Forgot Password" and enter Folio No. or DP ID and Client ID and PAN to generate a new password.

(c) You may also send an e-mail request to einward.ris@kfintech.com

xv. Members who have not registered their email address and to whom, consequently the Annual Report, Notice of AGM and e-voting instructions cannot be sent, may temporarily get their email address and mobile number registered with KFinTech, by accessing the weblink https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com

Instructions for members for e-Voting during the e-AGM session:

1. The e-Voting "Thumb sign'' on the left-hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the "instapoll" page.
2. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
3. Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so shall be eligible to vote through e-Voting system available during the e-AGM.

ASSISTANCE FOR AGM RELATED MATTERS:

Members who need assistance before or during the AGM, can connect KFintech Team contact Mr. Polisetty Srinivas Anand (Assistant Manager) at email:anand.polisetty@kfintech.com Tele. No.040 67161754 / 7842179322 OR Mr. Sandeep Nerudu (Officer) at Email: sandeep.nerudu@kfintech.com Tele. No. 040 67161769 / 9573070434 OR the Company's officials Mr. Harsh Patel, Manager / Mr. Dinesh Patni, Asst. Manager at 079 26444404-06 or may email query at ahmedabad@mafatlals.com.

Mafatlal

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