



MAFATLAL INDUSTRIES LIMITED

CIN L17110GJ1913PLC000035

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

Email: ahmedabad@mafatlals.com, Website: www.mafatlals.com Tel. No. 079- 26444404-06, Fax No: 079 -26444403

Sr. No. _____

Name of sole / first named member :

Address :

Registered Folio No. / :

DP ID No. / Client ID No.

Number of shares held :

Dear Member,

Subject: Process and manner for availing E-voting facility (In respect of 102nd AGM)

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 102nd Annual General Meeting (AGM) to be held on Thursday, the 11th August, 2016 at 11.00 A.M. (as per the Notice dated 2nd May, 2016 convening the said AGM) by electronic means and all the business, as per the said Notice, may be transacted through remote e-voting services.

The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private limited ("Karvy"). The e-voting facility is available at the link <https://www.evoting.karvy.com>

The electronic voting particulars are set out below:

EVEN (E-voting event number)	User ID	Password / Pin

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	From 9.00 a.m. on 8th August, 2016
End of remote e-voting	Up to 5.00 p.m. on 10th August, 2016

These details and instructions form integral part of the Notice for the Annual General Meeting (AGM) dated 2nd May, 2016 convening the said meeting.

Please read the instructions printed overleaf before exercising the vote.

Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 102nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy Computershare Private Limited ("Karvy").
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. **The remote e-voting period commences on 8th August, 2016 (9:00 am) and ends on 10th August, 2016 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**
- V. The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)]
 - (i) Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.karvy.com>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Mafatlal Industries Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney/ Authority Letter, etc., together with attested specimens signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: umesh@umeshvedcs.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]
 - (i) Initial password is provided in the enclosed Form.

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remotee-voting user-manual for Members available at the download section of <https://www.evoting.karvy.com>
- VII. If you are already registered with Karvy e-voting platform then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 4th August, 2016.
- X. **Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 4th August, 2016 may obtain the login ID and password in the manner as mentioned below:**
 - a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - b) Member may send an e-mail request to evoting@karvy.com. If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
 - c) Member may call Karvy's toll free number 1-800-3454-001.
 - d) If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS : MYEPWD <space>E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399 Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXXX1234567890

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- XIII. Shri Umesh Ved, Practicing Company Secretary, has been appointed as the Scrutinizer of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.mafatlals.com and on the website of Karvy at: www.karvy.com after the declaration of result by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, and Ahmedabad Stock Exchange Limited where the shares of the Company are listed.

NOTICE

NOTICE IS HEREBY GIVEN THAT the **102nd** Annual General Meeting of the Members of the Company will be held **on Thursday, the 11th August, 2016 at 11.00 a.m. at J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015**, to transact the following business:

ORDINARY BUSINESS

- (1) To consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2016 including Statement of Profit & Loss for the year ended 31st March, 2016 and the Balance Sheet as at that date, the Directors' Report and the Auditor's Report thereon as also consolidated financial statements for that financial year.
- (2) To declare Dividend for the year 2015-16 on Equity Shares of the Company.
- (3) To appoint a Director in place of Shri Hrishikesh A. Mafatlal (holding DIN 0009872) who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Vadodara, (Registration No.117364W), as Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Shri Aniruddha P. Deshmukh (holding DIN 01389267), (who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13th August, 2015, in terms of Section 161(1) of the Companies Act, 2013 and Article 141 of the Articles of Association of the Company and whose term

of office expires at this Annual General Meeting) in respect of whom the Company has, received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Non-Independent Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, approval of the Company be and is hereby accorded to the appointment of Shri Aniruddha P. Deshmukh (holding DIN 01389267) as the Managing Director & Chief Executive Officer (MD & CEO) of the Company for a period of 5 years with effect from 13th August, 2015 on the terms and conditions and remuneration as set out in the letter of appointment laid before the Meeting, with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner, as the Board in its absolute discretion deems fit and is acceptable to Shri Aniruddha P. Deshmukh and with approval of the Central Government were such remuneration exceeds the statutory limits prescribed under Section 197 of the Companies Act, 2013 or maximum permissible limits under Schedule V to the Companies Act, 2013"

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the company in any financial year he be paid said remuneration as minimum remuneration subject to the terms and up to the maximum limits prescribed in Schedule V to the Companies Act, 2013 or with the approval of the Central Government, if required."

- (7) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 143(8) read with Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s. Sorab S. Engineer & Company, Chartered Accountants, Mumbai, (ICAI Registration No.110417W), as the Branch Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, for the audit of books of accounts of the Branch Offices of the Company at Ahmedabad and Nadiad, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be recommended

by the Audit Committee and determined by the Board of Directors of the Company in consultation with the Branch Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

- (8) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 143(8) read with Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s. C. C. Chokshi & Company, Chartered Accountants, Ahmedabad, (ICAI Registration No.101876W), as the Branch Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, for the audit of books of accounts of the Branch Offices of the Company at Ahmedabad and Nadiad, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be recommended by the Audit Committee and determined by the Board of Directors of the Company in consultation with the Branch Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

- (9) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16 aggregating to ₹ 126.15 lacs paid to Shri Vishad P. Mafatlal (holding DIN: 00011350), as Executive Vice-Chairman of the Company, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (10) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16, aggregating to ₹ 180.77 lacs (inclusive of retiring benefits) paid to Shri Rajiv

Y. Dayal (holding DIN: 00381229), as Managing Director & Chief Executive Officer (MD & CEO) of the Company upto 12th August, 2015, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (11) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16, aggregating to ₹ 122.39 lacs paid to Shri Aniruddha P Deshmukh (holding DIN: 01389267), as Managing Director & Chief Executive Officer (MD & CEO) of the Company with effect from 13th August, 2015, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (12) To consider and, if thought fit, to pass the following Resolution, with or without modifications, 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, the payment of Remuneration of ₹ 6,25,000/- (Rupees Six Lacs Twenty Five Thousand only) (plus taxes and re-imbursement of out-of-pocket expenses incurred by them for the purpose of Audit) to Shri B. C. Desai, Cost Auditor, (Membership Number M-1077), for conducting the audit of Cost Accounting Records relating to the products 'Textiles' manufactured and traded by the Company for the year 1st April 2016 to 31st March 2017 be and is hereby approved and ratified."

- (13) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in supersession of the Special Resolution passed at the 100th Annual General Meeting of the Shareholders of the Company held on 5th August, 2014, pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") the Register of Members, Index of Members, Register and Index of Debenture holders, if any, prepared in accordance with the provisions of Section 88 of the Act, in respect of the Shares and Debentures issued by the Company from time to time, shall be kept at the Offices of the new Registrar and Share

Transfer Agent of the Company - Karvy Computershare Pvt. Ltd. at their office at 309, Shail Complex, Opp. Madhusudan House, Off: C G Road, Nr. Navrangpura Telephone Exchange, Ahmedabad 380006 or some other office within the city of Ahmedabad to which the said office is shifted."

By Order of the Board
For Mafatlal Industries Limited

Place: Mumbai
Dated 2nd May, 2016

Ashish A Karanji
Company Secretary

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. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THAT A PROXY NEED NOT BE A MEMBER.

Instrument appointing a proxy duly completed in all respects should reach Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 5 to 13 mentioned in the above Notice, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, the 5th August, 2016 to Thursday, the 11th August, 2016** (both days inclusive) for the purpose of payment of dividend, if any.
4. The dividend, as recommended by the Board of Directors, and declared by the Members at the Annual General Meeting, will be paid on 17th August, 2016. In order to enable the Company, directly credit the dividend amount in the bank accounts:
 - a) Shareholders holding shares in demat accounts are requested to update their Bank Account details with their respective Depository Participants.
 - b) Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts:

Name of first account holder (as appearing in the bank account records), Bank name, branch name, branch address, type of account and account number, IFSC code and MICR code and copy of cancelled cheque.

5. **Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 the dividend remaining unclaimed / unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government. The details of the Members, who have not encashed their dividend warrants for earlier years, are available under the 'Financials' section on the Website of the Company viz. www.mafatlals.com. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company.**
6. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Company and has issued circulars allowing service of notices/documents including Annual Report by e-mail to its members. To support this green initiative of the government in full measure, members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.
7. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, e-voting facility is being provided to the Members. Details of the e-Voting process and the relevant details are being sent to all the Members along with Notice.
8. Pursuant to the Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the requisite information with respect to the retiring director seeking reappointment is attached with the notice marked Annexure II to this notice.

ANNEXURE I TO NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013.

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts in respect of Items of Special Business mentioned at Sr. No.5 to 13 of the Notice dated 2nd May, 2016.

In respect of Item No. 5 & 6:

The Board of Directors of the Company at their Meeting held on 11th August, 2015, appointed Shri Aniruddha P. Deshmukh as an Additional Director of the Company with effect from 13th August, 2015, in terms of the provisions of Section 161(1) of the Companies Act, 2013 and Article 141 of the Articles of Association of the Company. His term of office as Additional Director expires at this Annual General Meeting.

Shri Aniruddha Deshmukh is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta. He has work experience of over 32 years. He started his career with MICO (now Bosch) and then moved as a Management Consultant with S.B. Billimoria & Company, Chartered Accountants, Mumbai. He subsequently joined Raymonds Limited in 1984. He has held positions of President at J.K. Ansell (a Joint Venture between Raymonds and the Ansell Group of Australia), President (Retail) and President (Textiles) in Raymonds.

In terms of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Aniruddha P. Deshmukh, is holding office as Additional Director until this ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member of the Company along with requisite deposit signifying his intention to propose Shri Aniruddha P. Deshmukh as a candidate for the office of the Director of the Company liable to retire by rotation.

In the opinion of the Board, Shri Aniruddha P. Deshmukh fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder read with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for his appointment as Director of the Company. Having regard to his qualifications, knowledge and experience, his appointment as Director will be in the interest of the Company. He does not have any shareholding in the Company.

Considering his qualifications, knowledge and wide experience, as recommended by the Nomination and Remuneration Committee of the Board, the Board of Directors of the Company appointed Shri Aniruddha P. Deshmukh as the Managing Director & Chief Executive Officer of the Company for a period of five years with effect from 13th August, 2015, subject to the approval of the Shareholders, on the following terms of remuneration as mentioned in the Letter of Appointment dated 13th August, 2015, issued to Shri Aniruddha P. Deshmukh:

- I (a) Basic Salary: ₹ 90,00,000/- per annum i.e. ₹ 7.5 lacs per month or such higher amount as may be decided by the Board of Directors from time to time.
- (b) Perquisites & Allowances, the aggregate monetary value of which shall not exceed ₹ 34,74,700/- per annum. These perquisites and allowances would be in addition to the items mentioned in clause "c", "d" and "e" below:
- (c) Perquisites:
 - i. Fully furnished house or house rent not exceeding ₹ 45,00,000/- per annum in lieu thereof;
 - ii. Mediclaim Policy, Personal Accident Insurance, Leave Travel Concession and Club Fees as per the rules of the Company.

Perquisites will be valued as per the Income Tax Rules, wherever applicable, and in the absence of such Rules, the perquisites will be valued at the actual cost to the Company.
- (d) Payments and Provisions which shall not be included

in the computation of remuneration or perquisites as aforesaid, subject to the provisions of Schedule V to the Companies Act, 2013:

- i. Contribution to provident fund, or superannuation fund or Annuity fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961
- ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- iii. Encashment of leave at the end of the tenure.
- (e) Apart from remuneration, Shri Aniruddha P. Deshmukh will be entitled to:
 - i. Free use of the Company's car for the business of the Company with reimbursement of driver's salary.
 - ii. Free telephone facility at residence and use of mobile phone facility
 - iii. Reimbursement of expenses actually and properly incurred by him for the business of the Company.
- II. Commission, up to 1% of net profit of the Company at the discretion of the Board, at the end of each financial year, computed in the manner laid down in the provisions of Section 198 of the Companies Act, 2013 or performance linked incentives in lieu thereof subject to the ceiling laid down in Section 197 of the Companies Act, 2013 on total remuneration. Further that the amount of such commission or performance linked incentives shall not exceed the amount equal to 2 (Two) times of the annual basic salary.
- III. In case of absence or inadequacy of profits in any financial year of the Company, Shri Aniruddha Deshmukh will be entitled to salary, perquisites, and other allowances as the minimum remuneration subject to the maximum limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013. The perquisites mentioned in para I (d) above shall not be included in the computation of the ceiling on minimum remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

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

The Board recommends the passing of the above resolutions.

None of the Directors, Key Managerial Personnel and/or their relatives except Shri Aniruddha P. Deshmukh, is concerned or interested in the Resolution.

A copy of the said Letter of Appointment dated 13th August, 2015, issued to Shri Aniruddha P. Deshmukh, is open for inspection by Members at the Registered Office of the Company during working hours on all working days (Mon-Fri) except holidays up to the date of Annual General Meeting.

In respect of Item Nos. 7 & 8:

The Resolutions are proposed to be passed in conformity with the provisions of Section 148(8) of the Companies Act, 2013 for the ratification of appointment of M/s. Sorab S. Engineer & Co., Chartered Accountants, Mumbai and M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, as the Branch Auditors of the Company for the audit of the accounts of the Company's Branch Offices at Ahmedabad and Nadiad for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors of the Company, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

The Board recommends the passing of the above resolutions.

None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the Resolutions.

In respect of Item Nos. 9, 10 & 11:

The Company has continued its long term business strategy of investing in modernization of its manufacturing facilities, expansion of capacities and this year also (2015-16), it has invested ₹ 10.06 Crores in Textiles and ₹ 31.04 Crores in Denim operations. During the year 2015-16, the Statement of Profit and Loss of the Company has been impacted by the interest on borrowing taken to fund the capital expenditure, increased working capital requirements and the depreciation charges in respect of new capital assets procured. The other factors affecting profitability of the Company continue to be, inter-alia, the higher power costs due to non-availability of exchange traded power (trading in electricity over exchange), oversupply of products and low margins due to stiff competition from the unorganized sector. During the year 2015-16, the Company has made net profit of ₹ 1883.88 Lacs. For the purpose of calculating the managerial remuneration, the net profit calculated as per the provisions of Section 198 of the Companies Act, 2013 is ₹ 1972.52 Lacs. Therefore, there has been excess payment of managerial remuneration in terms of Section 197 which is aggregating to ₹ 232.12 Lacs during 2015-16 (₹ 27.59 lacs to Shri Vishad P. Mafatlal, ₹ 144.55 lacs to Shri Rajiv Y. Dayal and ₹ 59.98 lacs to Shri Aniruddha P. Deshmukh).

It may be noted that though managerial remuneration paid to Shri Vishad P. Mafatlal exceeds the limits mentioned under the provisions of Section 197 of the Companies Act, 2013, but it does not exceed the limits mentioned under Schedule V to the Companies Act, 2013. Shri Rajiv Y. Dayal (who was the Managing Director & Chief Executive Officer of the Company till 12th August, 2015), being a professional director not having any relationship with the Promoters of the Company and also not holding any shares in the Capital of the Company, as per the clarification issued by Ministry of Corporate Affairs vide their General Circular No. 7 of 2015 dated 10th April, 2015 read with erstwhile Schedule XIII to the Companies Act, 1956, will continue to be governed by those provisions for the remuneration paid to him for the part of the year 2015-16. Accordingly no approval will be required from Central Government when the approval is granted by the Shareholders by way of Special Resolution. Shri Aniruddha P. Deshmukh though being a professional director and not having any relationship with the Promoters of the Company and also not holding

any shares in the Capital of the Company, his appointment has been made pursuant to the provisions of Sections 197, 198, read with Schedule V of the Companies Act, 2013, and hence, the provisions of General Circular No. 7 of 2015 dated 10th April, 2015, is not applicable to him. The aggregate remuneration that could be paid to Shri Aniruddha P. Deshmukh for the period from 13th August, 2015 to 31st March, 2016, as per the said Schedule V (pro rata) is ₹ 77.71 Lacs, resulting in remuneration of ₹ 36.82 lacs in excess of the said limit. Accordingly, approval of the Central Government will be applied for after the approval from the shareholders in respect thereof.

It may be noted that Shri Vishad P. Mafatlal, 42 years of age, is a Bachelor of Science in Economics from the Wharton School, University of Pennsylvania, USA. He is an Industrialist having business experience of more than 17 years in Textiles, Chemicals and other businesses. He was appointed as a Director on the Board of Directors of the Company w.e.f. 10th October, 2012. He is also one of the Promoters of the Company. Shri Vishad P. Mafatlal was also holding the statutory position of Joint Managing Director of erstwhile Mafatlal Denim Limited. As per the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court of Gujarat and the Hon'ble High Court of Bombay vide Orders dated 8th April, 2013 and 26th April, 2013 respectively, all the employees of Mafatlal Denim Limited were to be transferred to Mafatlal Industries Limited with effect from 28th May, 2013. Since, Shri Vishad P. Mafatlal was holding the statutory position of Joint Managing Director of Mafatlal Denim Limited, his services were transferred to Mafatlal Industries Limited in the capacity of an employee with continuity of service.

Shri Rajiv Y. Dayal was appointed as a Director on the Board of Directors of the Company w.e.f. 10th October, 2012. He was also holding the statutory position of Managing Director and CEO of Mafatlal Denim Limited and in accordance with the said Scheme of Arrangement and Amalgamation, his services were transferred to Mafatlal Industries Limited in the capacity of an employee of the Company with continuity of service. The shareholders had at the 99th Annual General Meeting held on 31st July, 2013 approved the appointment of Shri Vishad P. Mafatlal as Executive Vice-Chairman and Shri Rajiv Y. Dayal as Managing Director & CEO of the Company for a period of five years with effect from 28th May, 2013. As requested by Shri Rajiv Y. Dayal, the Board of Directors of the Company relieved him, accepting his request for premature retirement from the services of the Company as employee, Managing Director & Chief Executive Officer as well as Director of the Company with effect from 12th August, 2015 (after office hours). Shri Aniruddha P. Deshmukh was appointed as Managing Director & CEO of the Company for a period of five years w.e.f. 13th August, 2015 subject to the approval of the shareholders, in place of Shri Rajiv Y. Dayal. Further details in respect of the appointment of Shri Aniruddha P. Deshmukh, including the remuneration are provided in explanatory statement at item no. 5 & 6 above.

There has been an inadequacy of profits for the year 2015-16, calculated as per the provisions of Section 198 of the Companies Act, 2013 due to the reasons explained hereinabove. It may be noted that Shri Vishad P. Mafatlal, Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh have not been paid any commission/bonus based on the profitability of the Company.

In accordance with the provisions of Schedule V and other applicable provisions of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board and the Board of Directors at their respective meetings held on 2nd May, 2016, have approved the overall remuneration paid to Shri Vishad P. Mafatlal, Shri Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh, managerial personnel during the year 2015-16 as set forth in the resolutions. Having regard to the qualifications, experience, expertise and the contributions made by Shri Vishad P. Mafatlal, Shri Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh, the Board recommend the said excess remuneration as mentioned in item 9 & 10 and 11, for approval by the members of the Company by way of Special Resolution.

Copies of the said resolutions passed by the Nomination and Remuneration Committee as also the Board of Directors are available for inspection by the Members at the Registered Office of the Company during working hours on all working days (Mon-Fri) except holidays up to the date of Annual General Meeting.

Shri Vishad P. Mafatlal is the nephew of Shri Hrishikesh A. Mafatlal, Chairman of the Company except Shri Vishad P. Mafatlal and Shri Hrishikesh A. Mafatlal, none of the other Directors or Key Managerial Personnel and/or their relatives is concerned or interested in the resolution no. 9.

None of the Directors, Key Managerial Personnel and / or their relatives is concerned or interested in the resolution except Shri Rajiv Y. Dayal, in the resolution no. 10.

None of the Directors, Key Managerial Personnel and / or their relatives is concerned or interested in the resolution except Shri Aniruddha P. Deshmukh, in the resolution no. 11.

In respect of Item Nos. 12:

In accordance with the provisions of Section 148(2) and 148(3) of the Companies Act, 2013 read with relevant Rules made there under, the Company is required to appoint a Cost Auditor for audit of Textiles products manufactured and traded by the Company.

Based on recommendation of the Audit Committee, the Board of Directors has appointed Shri B C Desai as the Cost Auditor for conducting the audit of Cost Accounting Records maintained by the Textiles Unit of the Company at Nadiad, Denim Unit of the Company at Navsari and the Marketing Services Division of the Company at Mumbai relating to the 'Textiles' product manufactured and traded by the Company for the year 1st April, 2016 to 31st March, 2017 on a proposed remuneration of ₹ 6.25 lacs plus taxes and re-imbursement of out of pocket expenses incurred for the purpose of audit.

It may be noted that Shri I. V. Jagtiani was designated as the Principal / Lead Cost Auditor responsible for consolidation and filing of the Cost Audit Report with the Central Government until the year 2015-16. He has conveyed unwillingness for appointment as a Cost Auditor due to his advanced age. Accordingly, the Board has appointed Shri B. C. Desai as sole Cost Auditors of the Company for the year 1st April, 2016 to 31st March, 2017 on a proposed remuneration of ₹ 6.25 lacs apart from re-imbursement of out of pocket expenses incurred for the purpose of audit subject to the approval of remuneration by the Members. Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit

and Auditors) Rules, 2014, prescribes that the remuneration of the Cost Auditors shall be ratified by the Shareholders. Accordingly, the Ordinary Resolutions is proposed for ratification by the Members.

The Board of Directors recommend passing of the Ordinary Resolutions at Item Nos. 12 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the resolution.

In respect of Item No.13:

The shareholders are aware that M/s. Sharepro Services (India) Pvt. Ltd. (Sharepro) has been the Registrar and Share Transfer Agents of the Company since last many years. Recently, SEBI has initiated investigation into the affairs of Sharepro for certain irregularities in conduct of their share related operations in respect of some of the listed companies. SEBI has vide its interim order dated 22nd March, 2016 restrained Sharepro and certain persons mentioned in the said order from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner. SEBI has also advised Companies who are clients of Sharepro to carry out/switchover their activities related to a registrar to an issue and share transfer agent, either in-house or through another registrar to an issue or share transfer agent registered with SEBI.

The Board of Directors at their meeting held on May 2, 2016 has approved the appointment of Karvy Computershare Private Limited having their corporate headquarters at Hyderabad and branch offices in many places in India including at Mumbai and Ahmedabad, as a Registrars & Share Transfer Agent w.e.f. 21st May, 2016.

Section 94 of the Companies Act, 2013 stipulates that registers required to be kept and maintained by the Company under Section 88 and copies of the Annual Return filed under Section 92 shall be kept at the Registered Office of the Company. Provided that such documents may also be kept at any other place in India in which more than one tenth of the total number of members entered in the Register of Members reside, if approved by a Special Resolution passed at the General Meeting and the Registrar has been given a copy of the proposed Special Resolution in advance. Accordingly, approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013 for keeping the aforementioned registers and documents at the premises of Karvy Computershare Pvt. Ltd. as stated in the Resolution. A copy of the proposed Resolution is being forwarded to the Registrar of Companies, Gujarat, Ahmedabad.

The Board of Directors recommend passing of the Special Resolution at Item No. 13 of the Notice. None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the resolution.

By Order of the Board
For Mafatlal Industries Limited

Place: Mumbai
Dated 2nd May, 2016

Ashish A Karanji
Company Secretary

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:

Name of the Director & Brief Resume	Nature of Expertise in specific functional area	Disclosure of relationship between directors inter-se	Names of the Listed Entities in which the person holds the directorship and membership of the committees of the board.	Shareholding of Non-Executive Director in the Company
<p>Shri H A Mafatlal (61 years)</p> <p>He has been on the Board of Directors of the Company since 1979.</p> <p>He did graduation in Commerce with Honors, from Sydenham College and also Completed Advance Management Programme (AMP) at Harvard Business School, USA.</p> <p>He is Non-Executive Chairman of the Company.</p>	<p>He is an Industrialist having diversified experience of more than 40 years in the areas of Textiles, Chemicals, Petrochemicals, Financial Services etc.</p>	<p>He is related to Shri V. P. Mafatlal, Executive Vice-Chairman of the Company.</p>	<p>Chairman of :</p> <p>Mafatlal Industries Ltd</p> <p>NOCIL Limited</p> <p>Navin Fluorine International Ltd</p> <p>Membership of the Committees of the Board of:</p> <p>Mafatlal Industries Limited:</p> <ul style="list-style-type: none"> - Chairman of Corporate Social Responsibility Committee - Member of Stakeholders Relationship Committee -Member of Share Transfer Committee <p>Navin Fluorine International Limited:</p> <ul style="list-style-type: none"> -Chairman of Corporate Social Responsibility Committee <p>NOCIL Limited:</p> <ul style="list-style-type: none"> -Chairman of Corporate Social Responsibility Committee -Member of Stakeholders Relationship Committee -Member of Share Transfer Committee -Member of Nomination and Remuneration Committee 	<p>826803 equity shares of the Company of ₹ 10/- each</p>
<p>Shri Aniruddha P. Deshmukh (58 years)</p> <p>He is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta.</p> <p>He is appointed as Managing Director & Chief Executive Officer of the Company for a period of five years w.e.f. 13th August, 2015 subject to the approval of the shareholders.</p>	<p>He has work experience of over 32 years in the field of Textiles marketing and Retail.</p>	<p>Not Related to any Director or promoter at any time.</p>	<p>He is not holding Directorship in other Company.</p> <p>He does not hold any Committee membership.</p>	<p>He is not holding any Equity Shares in the Company.</p>

Annexure III to the Notice

The information as required under para (iv) of Section II of Part II of Schedule V to the Companies Act, 2013 in respect of appointment of Shri Aniruddha P. Deshmukh, Managing Director & Chief Executive Officer (MD& CEO) for a period of five years w.e.f. 13th August, 2015:

I. General Information :

- (1) Nature of Industry:
The Company is engaged in the Manufacture and Sale of Textiles.
- (2) Date or expected date of commencement of commercial production:
Not applicable
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not applicable
- (4) Financial performance based on given indicators:

(Amt. ₹ In Lacs)

	Current Year (2015-16)	Previous Year (2014-15)
Total Turnover (Net) & other operational income	132308.74	101351.54
Profits from Operations before other income, finance costs and exceptional items	1842.81	229.57
Net Profit from ordinary activities before tax	1883.88*	2561.61

*this Net Profit consists only of profit out of operations while that of Previous year's consists of non-operations income on sale of investments and some assets.

- (5) Foreign investment or collaboration:
M/s. Al Fahim Linez LLC, Dubai (UAE), is a Joint Venture wherein the Company's shareholding is 49%.

II. Information about the appointee:

- (1) Background details:
Shri Aniruddha P. Deshmukh is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta. He has work experience of over 32 years. He started his

career with MICO (now Bosch). He subsequently joined Raymond Limited in 1984 and has over three decades of rich experience. He has held positions of President J.K. Ansell (a joint Venture between Raymonds and the Ansell Group of Australia), President (Retail) and President (Textiles) in Raymonds.

(2) Past Remuneration:

Shri Aniruddha P. Deshmukh was paid a fixed remuneration (incl. perks and allowances) of ₹ 163.10 lacs and variable remuneration of ₹ 45.38 lacs and a special allowance of ₹ 4.40 lacs in the previous employment with Raymonds Limited

(3) Job Profile and his suitability:

Shri Aniruddha P. Deshmukh has rich experience of about three decades including in the field of Textiles. Looking to his overall exposure and experience and responsibilities shouldered by him, he is suitable for the position.

(4) Remuneration proposed:

As mentioned in Explanatory Statement in respect of item number 5 & 6 of this Notice convening 102nd Annual General Meeting.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Considering the size of the Company, the industry bench marks, experience of the appointee and the responsibilities to be shouldered by him, the proposed remuneration commensurates with the remuneration paid to similar appointees in other companies.

III. Other Information:

(1) Reasons of loss or inadequate profits:

During the year 2015-16, the Statement of Profit and Loss of the Company has been impacted by the interest on borrowing taken to fund the capital expenditure and increased working capital requirements, the depreciation charges in respect of new capital assets procured. The other continued factors affecting profitability of the Company continues to be the higher power costs due to non-availability of exchange traded power (trading in electricity over exchange), oversupply of products and low margins due to stiff competition from the unorganized sector etc. During the year 2015-16, the Company has made net profit of ₹ 1883.88 Lacs. However, for the purpose of calculating the managerial remuneration, the net profit calculated as per the provisions of Section 198

of the Companies Act, 2013 is ₹ 1972.52 Lacs. The finance cost for FY15-16 is ₹ 2116.12 Lacs as against ₹ 1684.05 Lacs for the FY14-15. The increase in finance cost in absolute term is mainly due to higher amount of working capital borrowing raised during the year to finance the higher working capital requirement and the Capex consequent to growth in business.

(2) Steps taken or proposed to be taken for improvement:

The focus of the Company for the year under review has been to invest in upgrading its facilities at both the Textiles and Denim Divisions and to add balancing equipment which would result in either increasing throughputs and/or reducing the cost of production. To this end, the net addition to Fixed Assets had been ₹ 60.54 crores. The benefits of increased output and improved operational profit have been partly visible for the year just ended and the Company expects further improvements.

This year additional printing capacity was commissioned. The Company operates in both, the business to business (B2B) and the business to consumer (B2C)/ retail segment and is a leading player in the polyester cotton and 100% cotton white shirting business; cotton and viscose prints and high twist cotton voiles. The Company has been successful in securing brand nomination business from leading national and international brands. This will enable us to have longer manufacturing run lengths and further improve on operating efficiencies. In the B2C segment, the Company conducted retail level conferences which were very successful and evinced tremendous response from the trade. A number of value added products were introduced in the whites segment and all of this has resulted in overall sales increases and gains in market shares in this segment.

In the coming year, the Company intends to add additional printing capacity and also equipment's to improve our value proposition for cotton, linen

and viscose products. Similarly increased field and retail presence, newer range of products including yarn dyed shirting should boost sales B2C sales in the coming year. On the market front the domestic distribution was strengthened with the addition of numerous distributors. Besides trade shows were conducted for the branded as well as trade business which drew a very good response. On the export front, there have been a very encouraging response to our trade collection from South America. The Company has opened a representative office in Bangladesh and expects good sales from that area as well as from other Asian countries like Vietnam.

(3) Expected increase in productivity and profits in measurable terms:

Our Company's future growth will be driven by volume growth across all of its three strategic business units. In the immediate future your Company will focus on its core strengths such as dominant position in school uniform segment (Marketing Service Division), leading player in the polyester cotton and cotton white shirting business; cotton and viscose prints and high twist cotton voiles (Textile Division) and differentiated and value added Denim product portfolio. Its focus on building marketing & distribution foot-prints shall continue with renewed vigor during the coming year. The investment in equipment which has been made is aimed at improving operating margins leading to increased throughput, improved product-mix and reducing manufacturing cost is expected to drive substantial growth in the bottom-line of the Company during the next year. Your Company is also building further on its current presence in B2C market as it offers substantial opportunity of growth in medium term. On the whole, our Company is optimistic for the outlook of growth in the short to medium term in terms of total revenues/turnover and operating margins considering overall expected positive trend in textiles industry.

11th August, 2016

BSE Limited
25th Floor, P.J. Towers,
Dalal Street,
Mumbai 400 001.

Ahmedabad Stock Exchange Ltd.
Kamdheni Complex,
Opp: Sahajanand College, Panjrapole,
Ahmedabad 380 015.

BSE Code: 500264

ASE Code:34100

Dear Sir

Sub:- Proceedings of the 102nd Annual General Meeting of the Company held on 11th August, 2016.

We wish to inform you that pursuant to Regulation 30 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")the following businesses were transacted at the 102nd Annual General Meeting of members of Mafatlal Industries Limited held on Thursday, 11th August, 2016 at 11.00 AM at J.B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Vastrapur, Ahmedabad 380 015.

1. Adoption of Audited Financial Statements including statement of Profit & Loss for the year ended 31st March, 2016, Balance Sheet as at date and Auditors' Report thereon (Ordinary Resolution).
2. Declaration of Dividend on Equity Shares (Ordinary Resolution).
3. Re-appointment of Shri Hrishikesh A. Mafatlal, who retires by rotation (Ordinary Resolution).
4. Appointment of Auditors and fixing their Remuneration (Ordinary Resolution).
5. Appointment of Shri Aniruddha P. Deshmukh as Director of the Company (Ordinary Resolution).
6. Appointment of Shri Aniruddha P. Deshmukh as Managing Director & Chief Executive Officer of the Company for a period of Five Years with effect from 13th August, 2015 (Special Resolution).

7. Appointment of Branch Auditors and fixing their remuneration (Ordinary Resolution).
8. Appointment of Branch Auditors and fixing their remuneration (Ordinary Resolution).
9. Waiver of excess payment of Managerial Remuneration paid to Shri V.P. Mafatlal and Shri Aniruddha P. Deshmukh (Special Resolution).
10. Waiver of excess payment of Managerial Remuneration paid to Shri Rajiv Dayal (Special Resolution).
11. Waiver of excess payment of Managerial Remuneration paid to Shri Aniruddha P. Deshmukh (Special Resolution).
12. Resolution under Section 148(3) of the Companies Act, 2013 for approval of Remuneration of Cost Auditor Shri B.C. Desai for the year 2016-17 (Ordinary Resolution).
13. Resolution for keeping the Register of Members, Index of Member, Register of Index of Debenture Holders at the Office of Share Transfer Agent of the Company M/s. Kary Computershare Pvt. Ltd. (Special Resolution).

The above businesses were transacted through remote e-voting and poll at the Annual General Meeting as required under the Companies Act, 2013 and SEBI Listing Regulations.

Details of voting results as required under Regulation 44(3) of the SEBI SEBI Listing Regulations will be submitted separately.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited


Ashish A. Karanji
Company Secretary



11th August, 2016

BSE Limited
25th Floor, P.J. Towers,
Dalal Street,
Mumbai 400 001.

Ahmedabad Stock Exchange Ltd.
Kamdhenu Complex,
Opp: Sahajanand College, Panjrapole,
Ahmedabad 380 015.

BSE Code: 500264

ASE Code:34100

Dear Sir

Sub:- Proceedings/Outcome of the 102nd Annual General Meeting of the Company held on 11th August, 2016 along with voting results and Scrutinizer's Report.


We are pleased to forward herewith the following reports with respect to the 102nd Annual General Meeting of the Company (AGM) held on 11th August, 2016 at 11.00 AM at J.B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Vastrapur, Ahmedabad 380 015.

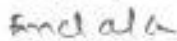
1. Summary of proceedings of the AGM as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(Annexure-I)
2. Voting Results pursuant to Regulation 44(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (Annexure-II).
3. Scrutinizer's Report dated 11th August, 2016 pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014 (Annexure III).
4. Annual Report for the Financial Year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 duly approved and adopted by the Members as per the Provisions of the Companies Act, 2013.

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited


Ashish A. Karanji
Company Secretary



Annexure-I

Summary of Proceedings of the 102nd Annual General Meeting of the Company.

The 102nd Annual General Meeting (AGM) of the Members of the Company was held on 11th August, 2016 at 11.00 AM at J.B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr.Vikram Sarabhai Marg, Vastrapur, Ahmedabad 380 015.

The Meeting was Chaired by Shri Hrishikesh A. Mafatlal alongwith, Shri P.R. Amin, Shri V.R. Gupte, Shri P. N. Kapadia, Shri A.K. Srivastava, Smt. Latika P. Pradhan, Shri G.G. Chakravarti, Shri S. A. Shah, Shri V. P. Mafatlal and Shri Aniruddha P. Deshmukh, Directors of the Company. The requisite quorum being present, the Chairman called the Meeting to order.

The Chairman informed the Members present that the Company had provided to its Members the facility to cast their votes electronically, on all the resolutions set forth in the Notice dated 2nd May, 2016. Members who are present at the AGM but had not cast their votes electronically were provided with an opportunity to cast their votes by Physical Ballot at the end of the Meeting.

The following items of the Business, as per the Notice of the AGM dated 2nd May, 2016 were transacted at the Meeting.

1. Adoption of Audited Financial Statements for the financial year ended 31st March, 2016 including statement of Profit & Loss for the year ended 31st March, 2016, Balance Sheet as at that date, the Directors Report and the Auditors' Report thereon as also consolidated financial statements for that financial year. (Ordinary Resolution)
2. Declaration of Dividend @ Rs.3/- per share on Equity Shares of the Company for the year 2015-16. (Ordinary Resolution)
3. Re-appointment of Shri Hrishikesh A. Mafatlal as Director of the Company. (Ordinary Resolution)
4. Appointment of Statutory Auditors and fixing their Remuneration. (Ordinary Resolution)
5. Appointment of Shri Aniruddha P. Deshmukh as Director of the Company. (Ordinary Resolution)
6. Appointment of Shri Aniruddha P. Deshmukh as Managing Director & Chief Executive Officer of the Company for a period of five Years with effect from 13th August, 2015. (Special Resolution)
7. Appointment of Branch Auditors and fixing their remuneration. (Ordinary Resolution)

8. Appointment of Branch Auditors and fixing their remuneration.(Ordinary Resolution)
9. Waiver of excess payment of Managerial Remuneration paid to Shri V.P. Mafatlal Executive Vice-Chairman of the Company.(Special Resolution)
10. Waiver of excess payment of Managerial Remuneration paid to Shri Rajiv Dayal as Managing Director of the Company.(Special Resolution)
11. Waiver of excess payment of Managerial Remuneration paid to Shri Aniruddha P. Deshmukh.(Special Resolution)
12. Resolution under Section 148(3) of the Companies Act, 2013 for approval of Remuneration of Cost Auditor Shri B.C. Desai for the year 2016-17.(Ordinary Resolution)
13. Resolution for keeping the Register of Members, Index of Member, Register of Index of Debenture Holders at the Office of Share Transfer Agent of the Company M/s. Karvy Computershare Pvt. Ltd. (Special Resolution)

The Chairman thereafter invited the Members for their views/queries on the Financial Statements and also the performance of the Company and such related matters. Required clarifications was provided by the Chairman to the Members for the queries raised by them.

The Chairman also informed the Members that the Board of Directors of the Company had appointed Shri Umesh Ved, Practicing Company Secretary as a Scrutinizer for remote e-voting process and also the voting/poll at the AGM.

Based on the Scrutinizer's Report, all the resolutions as set in the Notice dated 2nd May, 2016 have been passed with requisite majority.

Kindly take this information on records.

Thanking you,

Yours faithfully,
For Mafatlal Industries Limited


Ashish A. Karanji
Company Secretary

	MAFATLAL INDUSTRIES LTD
Date of the AGM/EGM	11-08-2016
Total number of shareholders on record date	107521
No. of shareholders present in the meeting either in person or through proxy:	
Promoters and Promoter Group:	97
Public:	149
No. of Shareholders attended the meeting through Video Conferencing	
Promoters and Promoter Group:	Not Applicable
Public:	Not Applicable

Agenda-wise Disclosures

Resolution No.1

Resolution required: (Ordinary/ Special)	ORDINARY - Adoption of Audited Financial Statements including Statement of Profit & Loss for the year ended 31st March, 2016 Balance sheet as at date, the Directors' Report and the Auditor's Report thereon							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - In favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1374	0.0438	1372	2	99.8544	0.1455
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1695	0.054	1683	12	196.7391	3.2607
	Total	13912886	10416480	74.8593	10416468	12	99.9999	0.0001

Resolution No.2

Resolution required: (Ordinary/ Special)	ORDINARY - Declaration of Dividend							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - In favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000



Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1374	0.0438	1372	2	99.8544	0.1455
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1695	0.054	1683	12	196.7391	3.2607
	Total	13912886	10416480	74.8693	10416468	12	99.9999	0.0001

Resolution No.3

Resolution required: (Ordinary/ Special)	ORDINARY - Appointment of Shri H. A. Mafatal as Director, who retires by rotation.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1372	0	100.0000	0.0000
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1652	10	196.5517	3.4482
	Total	13912886	10416447	74.8691	10416437	10	99.9999	0.0001

Resolution No.4

Resolution required: (Ordinary/ Special)	ORDINARY - Ratify the appointment of M/s. Deloitte Haskins & Sells, Vadodara, as the Auditors of the Company to hold office from the conclusion of 102nd AGM until the conclusion of 103rd Annual General Meeting and authorise the Board of Directors to fix their remuneration.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000



Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1372	0.0437	1372	0	100.0000	0.0000
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1693	0.0539	1683	10	196.8847	3.1152
	Total	13912886	10416478	74.8593	10416468	10	99.9999	0.0001

Resolution No.5

Resolution required: (Ordinary/Special)		ORDINARY - Appointment of Shri Aniruddha P. Deshmukh as Director of the Company.						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1650	12	196.4059	3.5939
	Total	13912886	10416447	74.8591	10416435	12	99.9999	0.0001

Resolution No.6

Resolution required: (Ordinary/ Special)		ORDINARY - SPECIAL RESOLUTION for Appointment of Shri Aniruddha P. Deshmukh as Managing Director & Chief Executive Officer of the Company for a period of Five years with effect from 13th August, 2015.						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000



Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1660	12	99.4059	3.5939
	Total	13512886	10416447	74.8691	10416435	12	99.9999	0.0001

Resolution No.7

Resolution required: (Ordinary/ Special)	ORDINARY - Ordinary Resolutions –Ratify the Appointment of M/s. Sorab S. Engineer & Company, Mumbai, Chartered Accountants, to hold Office from the conclusion of 102nd AGM until the conclusion of 103rd AGM and to fix their remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1372	0.0437	1372	0	100.0000	0.0000
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1693	0.0539	1683	10	99.8847	3.1152
	Total	13512886	10416478	74.8693	10416468	10	99.9999	0.0001

Resolution No.8

Resolution required: (Ordinary/ Special)	ORDINARY - Ordinary Resolution – Ratify the Appointment of M/s. C.C. Chokshi & Company, Ahmedabad, Chartered Accountants, to hold Office from the conclusion of 102nd AGM until the conclusion of 103rd AGM and to fix their remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000



	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1693	0.0539	1681	12	196.7389	3.2609
	Total	13912686	10416478	74.8693	10416466	12	99.9999	0.0001

Resolution No.9

Resolution required: (Ordinary/ Special)	ORDINARY - SPECIAL RESOLUTION for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri V.P. Mafatlal.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
Promoter and Promoter Group	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1372	0	100.0000	0.0000
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1652	10	196.5517	3.4482
	Total	13912686	10416447	74.8691	10416437	10	99.9999	0.0001

Resolution No.10

Resolution required: (Ordinary/ Special)	ORDINARY - SPECIAL RESOLUTION for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri Rajiv Dayal (upto 12.08.2015).							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
Promoter and Promoter Group	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0



Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1650	12	196.4059	3.5939
	Total	13912886	10416447	74.8691	10416435	12	99.9999	0.0001

Resolution No.11

Resolution required: (Ordinary/ Special)		ORDINARY - SPECIAL RESOLUTION for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri Aniruddha P. Deshmukh (from 13th August, 2015).						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
Public- Institutions	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
Public- Non Institutions	E-Voting	3136500	290	0.0092	280	10	96.5517	3.4482
	Poll	3136500	1372	0.0437	1372	0	100.0000	0.0000
	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1662	0.0529	1652	10	196.5517	3.4482
	Total	13912886	10416447	74.8691	10416437	10	99.9999	0.0001

Resolution No.12

Resolution required: (Ordinary/ Special)		ORDINARY - ORDINARY RESOLUTION under Section148 (3) of the Companies Act, 2013 for approval of remuneration payable to Shri B.C. Desai, Cost Accountant, Ahmedabad as the Cost Auditor of the Company for the year 2016-17.						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0



	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1693	0.0539	1681	12	196.7389	3.2609
	Total	13912886	10416478	74.8693	10416466	12	99.9999	0.0001

Resolution No.13

Resolution required: (Ordinary/ Special)	ORDINARY - SPECIAL RESOLUTION for keeping the Register of Members, Index of Members, Register of Index of Debenture holders at the Office of Registrar & Share Transfer Agents of the Company, M/s Karvy Computershare Pvt. Ltd., Ahmedabad.							
Whether promoter/ promoter group are interested in the agenda/resolution?	No							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – In favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
	E-Voting	10414785	10414785	100.0000	10414785	0	100.0000	0.0000
	Poll	10414785	0	0.0000	00	0	0.0000	0.0000
Promoter and Promoter Group	Postal Ballot (if applicable)	10414785	0	0.0000	00	0	0.0000	0.0000
	Total	10414785	10414785	100	10414785	0	100	0
	E-Voting	361601	0	0.0000	00	0	0.0000	0.0000
	Poll	361601	0	0.0000	00	0	0.0000	0.0000
Public- Institutions	Postal Ballot (if applicable)	361601	0	0.0000	00	0	0.0000	0.0000
	Total	361601	0	0	0	0	0	0
	E-Voting	3136500	321	0.0102	311	10	96.8847	3.1152
	Poll	3136500	1372	0.0437	1370	2	99.8542	0.1457
Public- Non Institutions	Postal Ballot (if applicable)	3136500	0	0.0000	00	0	0.0000	0.0000
	Total	3136500	1693	0.0539	1681	12	196.7389	3.2609
	Total	13912886	10416478	74.8693	10416466	12	99.9999	0.0001

For, Matfial Industries Limited


ASHISH A. KARANJI
Company Secretary





UMESH VED & ASSOCIATES
Company Secretaries

304, Shoppers Plaza-V, Opp. Municipal Market, C. G. Road, Navrangpura, Ahmedabad - 380 009.
Telefax : (O) +91 79 30024153/ 30070889-90 • Mobile +91 98250 35998
E mail : info@umeshvedcs.com, umeshvedcs.office@airtelmail.in • Website : www.umeshvedcs.com

FORM NO. MGT-13

CONSOLIDATED SCRUTINIZER'S REPORT

[Pursuant to section 108 & 109 of the Companies Act, 2013 and Companies
(Management and Administration) Rules, 2014 as amended]

To,
The Chairman,
Mafatlal Industries Limited
301-302, Heritage Horizon,
3rd Floor, Off: C.G. Road,
Navrangpura,
Ahmedabad-380009

**Re: 102nd Annual General Meeting (AGM) of Mafatlal Industries Limited held
on Thursday, the 11th August, 2016 at 11:00a.m. at J.B. Auditorium,
Ahmedabad Management Association, ATIRA Campus, Dr. Vikram
Sarabhai Marg, Vastrapur, Ahmedabad-380015, Gujarat**

Dear Sir,

I, Umesh Ved, Proprietor of M/s. Umesh Ved & Associates, Company Secretaries, Ahmedabad, was appointed as Scrutinizer for the purpose of scrutinizing the Remote E-Voting process and voting at the Annual General Meeting ("AGM") pursuant to Section 108 & 109 of the Companies Act, 2013 read with rule 20 of Companies (Management and Administration) Rules, 2014, as amended on the resolutions contained in the Notice to the 102nd AGM of the Members of "Mafatlal Industries Limited" (the Company) held on Thursday, the 11th August, 2016 at 11:00 a.m. at J.B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380015, Gujarat



My responsibility as a scrutinizer for the voting process is restricted to preparing a Scrutinizer's Report of the vote cast "in favour" or "against" the resolution(s) based on the reports generated from the Remote e-voting system provided by the Karvy Computershare Private Limited (the Agency/ service provider) and the Polling at the AGM.

I submit my report as under:

1. The shareholders of the Company holding shares as on the "cut-off" date 4th August, 2016, were entitled to vote on the proposed resolutions as set out in item nos. 1 to 13 in the Notice of the 102nd AGM of Mafatlal Industries Limited.
2. The facility provided for Remote E-Voting commenced from 9.00 A.M. on Monday, the 8th August, 2016 and ended on 5.00 P.M. on Wednesday, the 10th August, 2016. The Remote E -voting facility was blocked thereafter.
3. At the venue of the AGM the facility to cast vote by poll was provided to facilitate those members present at the AGM who could not participate through Remote E-voting, to record their votes. After counting of the votes conducted at the venue of the AGM through electronic means process, the votes cast through Remote E-voting were unblocked by me in the presence of two witnesses, namely, Ms. Jasmin Majithia and Ms. Pinaj Jain who are not in employment of the company, They have signed below in confirmation of the votes being unblocked in their presence.

J. H. Majithia.

Jasmin Majithia

Pinaj

Pinaj Jain

4. The voting done through Remote E-voting and Polling at the meeting were reconciled with the records maintained by the RTA and the authorizations / proxies lodged with the Company.



5. The result of the Remote e-voting as well as Polling at the AGM is as under:

- (a). **Ordinary Resolution for Adoption of Audited Financial Statements including Statement of Profit & Loss for the year ended 31st March, 2016 Balance sheet as at date, the Directors' Report and the Auditor's Report thereon**

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	31	1372	99.85%
Total	156	10416468	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1456
Total	3	12	0.0001

- (b) **Ordinary Resolution for Declaration of Dividend.**

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	31	1372	99.85%
Total	156	10416468	99.99%



Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1456
Total	3	12	0.0001

(c) **Ordinary Resolution** to Appointment of Shri H. A. Mafatlal as Director, who retires by rotation.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%
Poll	31	1372	100%
Total	146	10416437	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	0	0	0
Total	2	10	0.0001



- (d) **Ordinary Resolution** to Ratify the appointment of M/s. Deloitte Haskins & Sells, Vadodara, as the Auditors of the Company to hold office from the conclusion of 102nd AGM until the conclusion of 103rd Annual General Meeting and authorise the Board of Directors to fix their remuneration.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	31	1372	100%
Total	148	10416468	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	0	0	0
Total	2	10	0.0001

- (e) **Ordinary Resolution** to Appointment of Shri Aniruddha P. Deshmukh as Director of the Company

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%



Poll	30	1370	99.85%
Total	145	10416435	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1458
Total	3	12	0.0001

- (f) **SPECIAL RESOLUTION** for Appointment of Shri Aniruddha P. Deshmukh as Managing Director & Chief Executive Officer of the Company for a period of Five years with effect from 13th August, 2015.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%
Poll	30	1370	99.85%
Total	145	10416435	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1458
Total	3	12	0.0001



- (g) **Ordinary Resolutions** to Ratify the Appointment of M/s. Sorab S. Engineer & Company, Mumbai, Chartered Accountants, to hold Office from the conclusion of 102nd AGM until the conclusion of 103rd AGM and to fix their remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	31	1372	100%
Total	148	10416468	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	0	0	0
Total	2	10	0.0001



- (h) **Ordinary Resolution** to Ratify the Appointment of M/s. C.C. Chokshi & Company, Ahmedabad, Chartered Accountants, to hold Office from the conclusion of 102nd AGM until the conclusion of 103rd AGM and to fix their remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	30	1370	99.85%
Total	147	10416466	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1458
Total	3	12	0.0001

- (i) **SPECIAL RESOLUTION** for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri V.P. Mafatlal.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%
Poll	31	1372	100.00%
Total	146	10416437	99.99%



Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	0	0	0.0000
Total	2	10	0.0001

- (j) **SPECIAL RESOLUTION** for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri Rajiv Dayal (upto 12.08.2015).

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%
Poll	30	1370	99.85%
Total	145	10416435	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1485
Total	3	12	0.0001



- (k) **SPECIAL RESOLUTION** for waiver of excess payment of Managerial Remuneration paid during the year 2015-16 to Shri Aniruddha P. Deshmukh (from 13th August, 2015).

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	115	10415065	99.99%
Poll	31	1372	100.00%
Total	146	10416437	99.99%

Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	0	0	0.0000
Total	2	10	0.0001

- (L) **ORDINARY RESOLUTION** under Section 148 (3) of the Companies Act, 2013 for approval of remuneration payable to Shri B.C. Desai, Cost Accountant, Ahmedabad as the Cost Auditor of the Company for the year 2016-17.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	30	1370	99.85%
Total	147	10416466	99.99%



Voted against of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1458
Total	3	12	0.0001

(M) **SPECIAL RESOLUTION** for keeping the Register of Members, Index of Members, Register of Index of Debenture holders at the Office of Registrar & Share Transfer Agents of the Company, M/s Karvy Computershare Pvt. Ltd., Ahmedabad.

Voted in Favour of the Resolution

Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	117	10415096	99.99%
Poll	30	1370	99.85%
Total	147	10416466	99.99%

Voted against of the Resolution

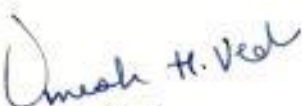
Type of Voting	Number of members present and voting (in person or by proxy)	Number of Votes Cast by them	% of total number of Valid votes cast
E voting	2	10	0.0001
Poll	1	2	0.1458
Total	3	12	0.0001



6. Five polling papers were found Invalid.
7. All the resolutions mentioned in the AGM Notice as per details above accordingly stand passed with requisite majority.
8. The Electronic data and all other relevant records relating to Remote e-voting and electronic voting conducted at the AGM is under my safe custody and all will be handled over to the Company Secretary for preserving safely after the Chairman considers, approves and signs the minutes of AGM.

Thanking You,

Yours faithfully,


Umesh Ved
FCS: 4411
CP : 2924

Date: 11th August, 2016

Place: Ahmedabad



MAFATLAL INDUSTRIES LIMITED


(H. A. MAFATLAL)
CHAIRMAN

For, Mafatlal Industries Limited


Director

August 11, 2016

To,
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

To,
Ahmedabad Stock Exchange Limited
Kamdheni Complex,
Opp. Sahajanand College, Panjrapole,
Ahmedabad - 380015

BSE Code: 500264

ASE Code: 34100

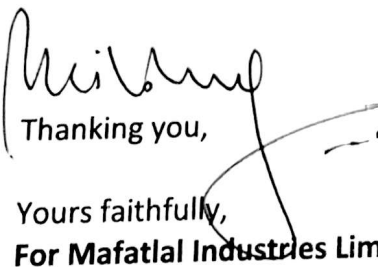
Dear Sir,

Sub:- Declaration pursuant to Regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, as amended till date

We hereby declare that the Statutory Auditors of the Company, Deloitte Haskins & Sells have issued an unmodified Audit Report on Audited Financial Results of the Company (Stand alone and Consolidated) for the year ended 31st March, 2016.

This declaration is given in compliance with Regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, as amended by Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated 25 May, 2016 and circular No. CIR/CFD/CMD/56/2016 dated 27 May, 2016.

You are requested to take the above on records.


Thanking you,
Yours faithfully,
For Mafatlal Industries Limited

Milan Shah
Chief Financial Officer

Mafatlal

MAFATLAL INDUSTRIES LIMITED

102nd
ANNUAL
REPORT
2015-2016



ARVIND MAFATLAL GROUP
The ethics of excellence

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 set 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', projects, intends', 'plans', believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these 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.

Contents

Page	Information
01	Corporate Information
02	Notice of AGM
11	Summarised Financial Data
13	Directors' Report
17	Management Discussion and Analysis
20	Corporate Governance Report
51	Standalone Financial Statements
97	Consolidated Financial Statements

Corporate Information

Mafatlal Industries Limited

(CIN L17110GJ1913PLC000035)

Board of Directors

Shri H. A. Mafatlal (DIN:00009872)	Chairman
Shri P. R. Amin (DIN:00171677)	Director
Shri V. R. Gupte (DIN:00011330)	Director
Shri P. N. Kapadia (DIN:00078673)	Director
Shri A. K. Srivastava (DIN:00046776)	Director
Smt. L. P. Pradhan (DIN:07118801)	Director
Shri G. G. Chakravarti (DIN:00004399)	Director
Shri S. A. Shah (DIN:00058019)	Director
Shri V. P. Mafatlal (DIN:00011350)	Executive Vice-Chairman
Shri Aniruddha P. Deshmukh (DIN: 01389267)	Managing Director & Chief Executive Officer

Company Secretary

Shri Ashish A. Karanji

Auditors

Deloitte Haskins & Sells
Chartered Accountants

Solicitors

Vigil Juris

Registered Office (With Effect From 1st June, 2015)

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

6th Floor, 'B' Wing, Kaledonia Building, Sahar Road,
Opp. Vijay Nagar Society, Andheri (East),
Mumbai - 400 069.
Tel: 91 22 6771 3800 / 3900 Fax: 91 22 6771 3924 / 25

Units / Factories:

Nadiad:

Kapadvanj Road, Nadiad-387 001.

Navsari:

Vejalpore Road, Navsari - 396 445.

Mazgaon, Mumbai:

(not in operation)
Rambhau Bhogale Marg,
Mumbai - 400 010.

Shareholders' Information

102nd Annual General Meeting on

Thursday, the 11th August, 2016 at 11.00 a.m.
at J. B. Auditorium, Ahmedabad Management Association,
ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur,
Ahmedabad-380 015

Registrar & Share Transfer Agents

(w.e.f 21st May, 2016)

Karvy Computershare Pvt. Ltd.

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad, Telangana – 500 032, India
Tel: 040 6716 2222 Fax: 040 2342 0814
E-mail: einward.ris@karvy.com
website: www.karvycomputershare.com

Investor Relations Centre (w.e.f 21st May, 2016)

Karvy Computershare Pvt. Ltd

Ahmedabad

201, Shail Complex, Opp. Madhusudan House, Off: C G Road,
Nr. Navrangpura Telephone Exchange, Ahmedabad 380006
Phone: 079-26400527,65150009
Email: ahmedabad@karvy.com

Mumbai

24B Rajabhadur Mansion, Ground floor,
Ambala Doshi Marg, Fort, Mumbai 400 023.
Tel. 022-66235454 Fax 022-66331135

Notes

- 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
- The Shares of the Company are listed on BSE Ltd. and Ahmedabad Stock Exchange Ltd. and the Listing Fees for both the Exchanges have been paid by the Company for the year 2016-17.
- The Shareholders are requested to notify change in address, if any, immediately to the Registrar & Transfer Agents at the above address mentioning their Folio Numbers along with valid proof of new address.
- Shareholders intending to require information about accounts to be explained in the Meeting are requested to inform the Company at least seven days in advance of the Annual General Meeting.
- Shareholders are requested to bring their copy of the Annual Report to the Meeting as the practice of handing out copies of the Annual Report at the Annual General Meeting has been discontinued since long in view of the high cost of paper and printing.

NOTICE

NOTICE IS HEREBY GIVEN THAT the **102nd** Annual General Meeting of the Members of the Company will be held **on Thursday, the 11th August, 2016 at 11.00 a.m. at J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015**, to transact the following business:

ORDINARY BUSINESS

- (1) To consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2016 including Statement of Profit & Loss for the year ended 31st March, 2016 and the Balance Sheet as at that date, the Directors' Report and the Auditor's Report thereon as also consolidated financial statements for that financial year.
- (2) To declare Dividend for the year 2015-16 on Equity Shares of the Company.
- (3) To appoint a Director in place of Shri Hrishikesh A. Mafatlal (holding DIN 0009872) who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Vadodara, (Registration No.117364W), as Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Shri Aniruddha P. Deshmukh (holding DIN 01389267), (who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13th August, 2015, in terms of Section 161(1) of the Companies Act, 2013 and Article 141 of the Articles of Association of the Company and whose term

of office expires at this Annual General Meeting) in respect of whom the Company has, received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Non-Independent Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, approval of the Company be and is hereby accorded to the appointment of Shri Aniruddha P. Deshmukh (holding DIN 01389267) as the Managing Director & Chief Executive Officer (MD & CEO) of the Company for a period of 5 years with effect from 13th August, 2015 on the terms and conditions and remuneration as set out in the letter of appointment laid before the Meeting, with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner, as the Board in its absolute discretion deems fit and is acceptable to Shri Aniruddha P. Deshmukh and with approval of the Central Government were such remuneration exceeds the statutory limits prescribed under Section 197 of the Companies Act, 2013 or maximum permissible limits under Schedule V to the Companies Act, 2013"

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits of the company in any financial year he be paid said remuneration as minimum remuneration subject to the terms and up to the maximum limits prescribed in Schedule V to the Companies Act, 2013 or with the approval of the Central Government, if required."

- (7) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 143(8) read with Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s. Sorab S. Engineer & Company, Chartered Accountants, Mumbai, (ICAI Registration No.110417W), as the Branch Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, for the audit of books of accounts of the Branch Offices of the Company at Ahmedabad and Nadiad, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be recommended

by the Audit Committee and determined by the Board of Directors of the Company in consultation with the Branch Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

- (8) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 143(8) read with Sections 139, 141 and 142 of the Companies Act, 2013, the appointment of M/s. C. C. Chokshi & Company, Chartered Accountants, Ahmedabad, (ICAI Registration No.101876W), as the Branch Auditors of the Company approved by Ordinary Resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting until the conclusion of the 103rd Annual General Meeting, for the audit of books of accounts of the Branch Offices of the Company at Ahmedabad and Nadiad, be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be recommended by the Audit Committee and determined by the Board of Directors of the Company in consultation with the Branch Auditors apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

- (9) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16 aggregating to ₹ 126.15 lacs paid to Shri Vishad P. Mafatlal (holding DIN: 00011350), as Executive Vice-Chairman of the Company, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (10) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16, aggregating to ₹ 180.77 lacs (inclusive of retiring benefits) paid to Shri Rajiv

Y. Dayal (holding DIN: 00381229), as Managing Director & Chief Executive Officer (MD & CEO) of the Company upto 12th August, 2015, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (11) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, and other applicable provisions, if any, read with Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and subject to the approval of the Central Government (if required), approval of the members of the Company be and is hereby accorded to the managerial remuneration for the Financial Year 2015-16, aggregating to ₹ 122.39 lacs paid to Shri Aniruddha P Deshmukh (holding DIN: 01389267), as Managing Director & Chief Executive Officer (MD & CEO) of the Company with effect from 13th August, 2015, notwithstanding it being in excess of the limits prescribed under the said provisions of Section 197 of the Companies Act, 2013 and the recovery of such excess is hereby waived."

- (12) To consider and, if thought fit, to pass the following Resolution, with or without modifications, 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, the payment of Remuneration of ₹ 6,25,000/- (Rupees Six Lacs Twenty Five Thousand only) (plus taxes and re-imbursement of out-of-pocket expenses incurred by them for the purpose of Audit) to Shri B. C. Desai, Cost Auditor, (Membership Number M-1077), for conducting the audit of Cost Accounting Records relating to the products 'Textiles' manufactured and traded by the Company for the year 1st April 2016 to 31st March 2017 be and is hereby approved and ratified."

- (13) To consider and, if thought fit, to pass the following Resolution, with or without modifications, as **SPECIAL RESOLUTION:**

"RESOLVED THAT in supersession of the Special Resolution passed at the 100th Annual General Meeting of the Shareholders of the Company held on 5th August, 2014, pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") the Register of Members, Index of Members, Register and Index of Debenture holders, if any, prepared in accordance with the provisions of Section 88 of the Act, in respect of the Shares and Debentures issued by the Company from time to time, shall be kept at the Offices of the new Registrar and Share

Transfer Agent of the Company - Karvy Computershare Pvt. Ltd. at their office at 309, Shail Complex, Opp. Madhusudan House, Off: C G Road, Nr. Navrangpura Telephone Exchange, Ahmedabad 380006 or some other office within the city of Ahmedabad to which the said office is shifted."

By Order of the Board
For Mafatlal Industries Limited

Place: Mumbai
Dated 2nd May, 2016

Ashish A Karanji
Company Secretary

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. MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF ON A POLL AND THAT A PROXY NEED NOT BE A MEMBER.

Instrument appointing a proxy duly completed in all respects should reach Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 5 to 13 mentioned in the above Notice, is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, the 5th August, 2016 to Thursday, the 11th August, 2016** (both days inclusive) for the purpose of payment of dividend, if any.
4. The dividend, as recommended by the Board of Directors, and declared by the Members at the Annual General Meeting, will be paid on 17th August, 2016. In order to enable the Company, directly credit the dividend amount in the bank accounts:
 - a) Shareholders holding shares in demat accounts are requested to update their Bank Account details with their respective Depository Participants.
 - b) Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts:

Name of first account holder (as appearing in the bank account records), Bank name, branch name, branch address, type of account and account number, IFSC code and MICR code and copy of cancelled cheque.

5. **Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 the dividend remaining unclaimed / unpaid for a period of seven years from the date it becomes due for payment shall be credited to the Investor Education and Protection Fund (IEPF) set up by the Central Government. The details of the Members, who have not encashed their dividend warrants for earlier years, are available under the 'Financials' section on the Website of the Company viz. www.mafatlals.com. Members who have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company.**
6. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Company and has issued circulars allowing service of notices/documents including Annual Report by e-mail to its members. To support this green initiative of the government in full measure, members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.
7. In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, e-voting facility is being provided to the Members. Details of the e-Voting process and the relevant details are being sent to all the Members along with Notice.
8. Pursuant to the Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the requisite information with respect to the retiring director seeking reappointment is attached with the notice marked Annexure II to this notice.

ANNEXURE I TO NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013.

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts in respect of Items of Special Business mentioned at Sr. No.5 to 13 of the Notice dated 2nd May, 2016.

In respect of Item No. 5 & 6:

The Board of Directors of the Company at their Meeting held on 11th August, 2015, appointed Shri Aniruddha P. Deshmukh as an Additional Director of the Company with effect from 13th August, 2015, in terms of the provisions of Section 161(1) of the Companies Act, 2013 and Article 141 of the Articles of Association of the Company. His term of office as Additional Director expires at this Annual General Meeting.

Shri Aniruddha Deshmukh is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta. He has work experience of over 32 years. He started his career with MICO (now Bosch) and then moved as a Management Consultant with S.B. Billimoria & Company, Chartered Accountants, Mumbai. He subsequently joined Raymonds Limited in 1984. He has held positions of President at J.K. Ansell (a Joint Venture between Raymonds and the Ansell Group of Australia), President (Retail) and President (Textiles) in Raymonds.

In terms of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Aniruddha P. Deshmukh, is holding office as Additional Director until this ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member of the Company along with requisite deposit signifying his intention to propose Shri Aniruddha P. Deshmukh as a candidate for the office of the Director of the Company liable to retire by rotation.

In the opinion of the Board, Shri Aniruddha P. Deshmukh fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder read with the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for his appointment as Director of the Company. Having regard to his qualifications, knowledge and experience, his appointment as Director will be in the interest of the Company. He does not have any shareholding in the Company.

Considering his qualifications, knowledge and wide experience, as recommended by the Nomination and Remuneration Committee of the Board, the Board of Directors of the Company appointed Shri Aniruddha P. Deshmukh as the Managing Director & Chief Executive Officer of the Company for a period of five years with effect from 13th August, 2015, subject to the approval of the Shareholders, on the following terms of remuneration as mentioned in the Letter of Appointment dated 13th August, 2015, issued to Shri Aniruddha P. Deshmukh:

- I (a) Basic Salary: ₹ 90,00,000/- per annum i.e. ₹ 7.5 lacs per month or such higher amount as may be decided by the Board of Directors from time to time.
- (b) Perquisites & Allowances, the aggregate monetary value of which shall not exceed ₹ 34,74,700/- per annum. These perquisites and allowances would be in addition to the items mentioned in clause "c", "d" and "e" below:
- (c) Perquisites:
 - i. Fully furnished house or house rent not exceeding ₹ 45,00,000/- per annum in lieu thereof;
 - ii. Mediclaim Policy, Personal Accident Insurance, Leave Travel Concession and Club Fees as per the rules of the Company.

Perquisites will be valued as per the Income Tax Rules, wherever applicable, and in the absence of such Rules, the perquisites will be valued at the actual cost to the Company.
- (d) Payments and Provisions which shall not be included

in the computation of remuneration or perquisites as aforesaid, subject to the provisions of Schedule V to the Companies Act, 2013:

- i. Contribution to provident fund, or superannuation fund or Annuity fund to the extent these, either singly or together are not taxable under the Income Tax Act, 1961
- ii. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service and
- iii. Encashment of leave at the end of the tenure.
- (e) Apart from remuneration, Shri Aniruddha P. Deshmukh will be entitled to:
 - i. Free use of the Company's car for the business of the Company with reimbursement of driver's salary.
 - ii. Free telephone facility at residence and use of mobile phone facility
 - iii. Reimbursement of expenses actually and properly incurred by him for the business of the Company.
- II. Commission, up to 1% of net profit of the Company at the discretion of the Board, at the end of each financial year, computed in the manner laid down in the provisions of Section 198 of the Companies Act, 2013 or performance linked incentives in lieu thereof subject to the ceiling laid down in Section 197 of the Companies Act, 2013 on total remuneration. Further that the amount of such commission or performance linked incentives shall not exceed the amount equal to 2 (Two) times of the annual basic salary.
- III. In case of absence or inadequacy of profits in any financial year of the Company, Shri Aniruddha Deshmukh will be entitled to salary, perquisites, and other allowances as the minimum remuneration subject to the maximum limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013. The perquisites mentioned in para I (d) above shall not be included in the computation of the ceiling on minimum remuneration to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

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

The Board recommends the passing of the above resolutions.

None of the Directors, Key Managerial Personnel and/or their relatives except Shri Aniruddha P. Deshmukh, is concerned or interested in the Resolution.

A copy of the said Letter of Appointment dated 13th August, 2015, issued to Shri Aniruddha P. Deshmukh, is open for inspection by Members at the Registered Office of the Company during working hours on all working days (Mon-Fri) except holidays up to the date of Annual General Meeting.

In respect of Item Nos. 7 & 8:

The Resolutions are proposed to be passed in conformity with the provisions of Section 148(8) of the Companies Act, 2013 for the ratification of appointment of M/s. Sorab S. Engineer & Co., Chartered Accountants, Mumbai and M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, as the Branch Auditors of the Company for the audit of the accounts of the Company's Branch Offices at Ahmedabad and Nadiad for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration, as may be recommended by the Audit Committee and determined by the Board of Directors of the Company, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

The Board recommends the passing of the above resolutions.

None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the Resolutions.

In respect of Item Nos. 9, 10 & 11:

The Company has continued its long term business strategy of investing in modernization of its manufacturing facilities, expansion of capacities and this year also (2015-16), it has invested ₹ 10.06 Crores in Textiles and ₹ 31.04 Crores in Denim operations. During the year 2015-16, the Statement of Profit and Loss of the Company has been impacted by the interest on borrowing taken to fund the capital expenditure, increased working capital requirements and the depreciation charges in respect of new capital assets procured. The other factors affecting profitability of the Company continue to be, inter-alia, the higher power costs due to non-availability of exchange traded power (trading in electricity over exchange), oversupply of products and low margins due to stiff competition from the unorganized sector. During the year 2015-16, the Company has made net profit of ₹ 1883.88 Lacs. For the purpose of calculating the managerial remuneration, the net profit calculated as per the provisions of Section 198 of the Companies Act, 2013 is ₹ 1972.52 Lacs. Therefore, there has been excess payment of managerial remuneration in terms of Section 197 which is aggregating to ₹ 232.12 Lacs during 2015-16 (₹ 27.59 lacs to Shri Vishad P. Mafatlal, ₹ 144.55 lacs to Shri Rajiv Y. Dayal and ₹ 59.98 lacs to Shri Aniruddha P. Deshmukh).

It may be noted that though managerial remuneration paid to Shri Vishad P. Mafatlal exceeds the limits mentioned under the provisions of Section 197 of the Companies Act, 2013, but it does not exceed the limits mentioned under Schedule V to the Companies Act, 2013. Shri Rajiv Y. Dayal (who was the Managing Director & Chief Executive Officer of the Company till 12th August, 2015), being a professional director not having any relationship with the Promoters of the Company and also not holding any shares in the Capital of the Company, as per the clarification issued by Ministry of Corporate Affairs vide their General Circular No. 7 of 2015 dated 10th April, 2015 read with erstwhile Schedule XIII to the Companies Act, 1956, will continue to be governed by those provisions for the remuneration paid to him for the part of the year 2015-16. Accordingly no approval will be required from Central Government when the approval is granted by the Shareholders by way of Special Resolution. Shri Aniruddha P. Deshmukh though being a professional director and not having any relationship with the Promoters of the Company and also not holding

any shares in the Capital of the Company, his appointment has been made pursuant to the provisions of Sections 197, 198, read with Schedule V of the Companies Act, 2013, and hence, the provisions of General Circular No. 7 of 2015 dated 10th April, 2015, is not applicable to him. The aggregate remuneration that could be paid to Shri Aniruddha P. Deshmukh for the period from 13th August, 2015 to 31st March, 2016, as per the said Schedule V (pro rata) is ₹ 77.71 Lacs, resulting in remuneration of ₹ 36.82 lacs in excess of the said limit. Accordingly, approval of the Central Government will be applied for after the approval from the shareholders in respect thereof.

It may be noted that Shri Vishad P. Mafatlal, 42 years of age, is a Bachelor of Science in Economics from the Wharton School, University of Pennsylvania, USA. He is an Industrialist having business experience of more than 17 years in Textiles, Chemicals and other businesses. He was appointed as a Director on the Board of Directors of the Company w.e.f. 10th October, 2012. He is also one of the Promoters of the Company. Shri Vishad P. Mafatlal was also holding the statutory position of Joint Managing Director of erstwhile Mafatlal Denim Limited. As per the Scheme of Arrangement and Amalgamation sanctioned by the Hon'ble High Court of Gujarat and the Hon'ble High Court of Bombay vide Orders dated 8th April, 2013 and 26th April, 2013 respectively, all the employees of Mafatlal Denim Limited were to be transferred to Mafatlal Industries Limited with effect from 28th May, 2013. Since, Shri Vishad P. Mafatlal was holding the statutory position of Joint Managing Director of Mafatlal Denim Limited, his services were transferred to Mafatlal Industries Limited in the capacity of an employee with continuity of service.

Shri Rajiv Y. Dayal was appointed as a Director on the Board of Directors of the Company w.e.f. 10th October, 2012. He was also holding the statutory position of Managing Director and CEO of Mafatlal Denim Limited and in accordance with the said Scheme of Arrangement and Amalgamation, his services were transferred to Mafatlal Industries Limited in the capacity of an employee of the Company with continuity of service. The shareholders had at the 99th Annual General Meeting held on 31st July, 2013 approved the appointment of Shri Vishad P. Mafatlal as Executive Vice-Chairman and Shri Rajiv Y. Dayal as Managing Director & CEO of the Company for a period of five years with effect from 28th May, 2013. As requested by Shri Rajiv Y. Dayal, the Board of Directors of the Company relieved him, accepting his request for premature retirement from the services of the Company as employee, Managing Director & Chief Executive Officer as well as Director of the Company with effect from 12th August, 2015 (after office hours). Shri Aniruddha P. Deshmukh was appointed as Managing Director & CEO of the Company for a period of five years w.e.f. 13th August, 2015 subject to the approval of the shareholders, in place of Shri Rajiv Y. Dayal. Further details in respect of the appointment of Shri Aniruddha P. Deshmukh, including the remuneration are provided in explanatory statement at item no. 5 & 6 above.

There has been an inadequacy of profits for the year 2015-16, calculated as per the provisions of Section 198 of the Companies Act, 2013 due to the reasons explained hereinabove. It may be noted that Shri Vishad P. Mafatlal, Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh have not been paid any commission/bonus based on the profitability of the Company.

In accordance with the provisions of Schedule V and other applicable provisions of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board and the Board of Directors at their respective meetings held on 2nd May, 2016, have approved the overall remuneration paid to Shri Vishad P. Mafatlal, Shri Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh, managerial personnel during the year 2015-16 as set forth in the resolutions. Having regard to the qualifications, experience, expertise and the contributions made by Shri Vishad P. Mafatlal, Shri Rajiv Y. Dayal and Shri Aniruddha P. Deshmukh, the Board recommend the said excess remuneration as mentioned in item 9 & 10 and 11, for approval by the members of the Company by way of Special Resolution.

Copies of the said resolutions passed by the Nomination and Remuneration Committee as also the Board of Directors are available for inspection by the Members at the Registered Office of the Company during working hours on all working days (Mon-Fri) except holidays up to the date of Annual General Meeting.

Shri Vishad P. Mafatlal is the nephew of Shri Hrishikesh A. Mafatlal, Chairman of the Company except Shri Vishad P. Mafatlal and Shri Hrishikesh A. Mafatlal, none of the other Directors or Key Managerial Personnel and/or their relatives is concerned or interested in the resolution no. 9.

None of the Directors, Key Managerial Personnel and / or their relatives is concerned or interested in the resolution except Shri Rajiv Y. Dayal, in the resolution no. 10.

None of the Directors, Key Managerial Personnel and / or their relatives is concerned or interested in the resolution except Shri Aniruddha P. Deshmukh, in the resolution no. 11.

In respect of Item Nos. 12:

In accordance with the provisions of Section 148(2) and 148(3) of the Companies Act, 2013 read with relevant Rules made there under, the Company is required to appoint a Cost Auditor for audit of Textiles products manufactured and traded by the Company.

Based on recommendation of the Audit Committee, the Board of Directors has appointed Shri B C Desai as the Cost Auditor for conducting the audit of Cost Accounting Records maintained by the Textiles Unit of the Company at Nadiad, Denim Unit of the Company at Navsari and the Marketing Services Division of the Company at Mumbai relating to the 'Textiles' product manufactured and traded by the Company for the year 1st April, 2016 to 31st March, 2017 on a proposed remuneration of ₹ 6.25 lacs plus taxes and re-imbursement of out of pocket expenses incurred for the purpose of audit.

It may be noted that Shri I. V. Jagtiani was designated as the Principal / Lead Cost Auditor responsible for consolidation and filing of the Cost Audit Report with the Central Government until the year 2015-16. He has conveyed unwillingness for appointment as a Cost Auditor due to his advanced age. Accordingly, the Board has appointed Shri B. C. Desai as sole Cost Auditors of the Company for the year 1st April, 2016 to 31st March, 2017 on a proposed remuneration of ₹ 6.25 lacs apart from re-imbursement of out of pocket expenses incurred for the purpose of audit subject to the approval of remuneration by the Members. Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit

and Auditors) Rules, 2014, prescribes that the remuneration of the Cost Auditors shall be ratified by the Shareholders. Accordingly, the Ordinary Resolutions is proposed for ratification by the Members.

The Board of Directors recommend passing of the Ordinary Resolutions at Item Nos. 12 of the Notice.

None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the resolution.

In respect of Item No.13:

The shareholders are aware that M/s. Sharepro Services (India) Pvt. Ltd. (Sharepro) has been the Registrar and Share Transfer Agents of the Company since last many years. Recently, SEBI has initiated investigation into the affairs of Sharepro for certain irregularities in conduct of their share related operations in respect of some of the listed companies. SEBI has vide its interim order dated 22nd March, 2016 restrained Sharepro and certain persons mentioned in the said order from buying, selling or dealing in the securities market or associating themselves with securities market, either directly or indirectly, in any manner. SEBI has also advised Companies who are clients of Sharepro to carry out/switchover their activities related to a registrar to an issue and share transfer agent, either in-house or through another registrar to an issue or share transfer agent registered with SEBI.

The Board of Directors at their meeting held on May 2, 2016 has approved the appointment of Karvy Computershare Private Limited having their corporate headquarters at Hyderabad and branch offices in many places in India including at Mumbai and Ahmedabad, as a Registrars & Share Transfer Agent w.e.f. 21st May, 2016.

Section 94 of the Companies Act, 2013 stipulates that registers required to be kept and maintained by the Company under Section 88 and copies of the Annual Return filed under Section 92 shall be kept at the Registered Office of the Company. Provided that such documents may also be kept at any other place in India in which more than one tenth of the total number of members entered in the Register of Members reside, if approved by a Special Resolution passed at the General Meeting and the Registrar has been given a copy of the proposed Special Resolution in advance. Accordingly, approval of the Members is sought in terms of Section 94(1) of the Companies Act, 2013 for keeping the aforementioned registers and documents at the premises of Karvy Computershare Pvt. Ltd. as stated in the Resolution. A copy of the proposed Resolution is being forwarded to the Registrar of Companies, Gujarat, Ahmedabad.

The Board of Directors recommend passing of the Special Resolution at Item No. 13 of the Notice. None of the Directors, Key Managerial Personnel and/or their relatives is concerned or interested in the resolution.

By Order of the Board
For Mafatlal Industries Limited

Place: Mumbai
Dated 2nd May, 2016

Ashish A Karanji
Company Secretary

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:

Name of the Director & Brief Resume	Nature of Expertise in specific functional area	Disclosure of relationship between directors inter-se	Names of the Listed Entities in which the person holds the directorship and membership of the committees of the board.	Shareholding of Non-Executive Director in the Company
<p>Shri H A Mafatlal (61 years)</p> <p>He has been on the Board of Directors of the Company since 1979.</p> <p>He did graduation in Commerce with Honors, from Sydenham College and also Completed Advance Management Programme (AMP) at Harvard Business School, USA.</p> <p>He is Non-Executive Chairman of the Company.</p>	<p>He is an Industrialist having diversified experience of more than 40 years in the areas of Textiles, Chemicals, Petrochemicals, Financial Services etc.</p>	<p>He is related to Shri V. P. Mafatlal, Executive Vice-Chairman of the Company.</p>	<p>Chairman of :</p> <p>Mafatlal Industries Ltd</p> <p>NOCIL Limited</p> <p>Navin Fluorine International Ltd</p> <p>Membership of the Committees of the Board of:</p> <p>Mafatlal Industries Limited:</p> <ul style="list-style-type: none"> - Chairman of Corporate Social Responsibility Committee - Member of Stakeholders Relationship Committee -Member of Share Transfer Committee <p>Navin Fluorine International Limited:</p> <ul style="list-style-type: none"> -Chairman of Corporate Social Responsibility Committee <p>NOCIL Limited:</p> <ul style="list-style-type: none"> -Chairman of Corporate Social Responsibility Committee -Member of Stakeholders Relationship Committee -Member of Share Transfer Committee -Member of Nomination and Remuneration Committee 	<p>826803 equity shares of the Company of ₹ 10/- each</p>
<p>Shri Aniruddha P. Deshmukh (58 years)</p> <p>He is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta.</p> <p>He is appointed as Managing Director & Chief Executive Officer of the Company for a period of five years w.e.f. 13th August, 2015 subject to the approval of the shareholders.</p>	<p>He has work experience of over 32 years in the field of Textiles marketing and Retail.</p>	<p>Not Related to any Director or promoter at any time.</p>	<p>He is not holding Directorship in other Company.</p> <p>He does not hold any Committee membership.</p>	<p>He is not holding any Equity Shares in the Company.</p>

Annexure III to the Notice

The information as required under para (iv) of Section II of Part II of Schedule V to the Companies Act, 2013 in respect of appointment of Shri Aniruddha P. Deshmukh, Managing Director & Chief Executive Officer (MD& CEO) for a period of five years w.e.f. 13th August, 2015:

I. General Information :

- (1) Nature of Industry:
The Company is engaged in the Manufacture and Sale of Textiles.
- (2) Date or expected date of commencement of commercial production:
Not applicable
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not applicable
- (4) Financial performance based on given indicators:

(Amt. ₹ In Lacs)

	Current Year (2015-16)	Previous Year (2014-15)
Total Turnover (Net) & other operational income	132308.74	101351.54
Profits from Operations before other income, finance costs and exceptional items	1842.81	229.57
Net Profit from ordinary activities before tax	1883.88*	2561.61

*this Net Profit consists only of profit out of operations while that of Previous year's consists of non-operations income on sale of investments and some assets.

- (5) Foreign investment or collaboration:
M/s. Al Fahim Linez LLC, Dubai (UAE), is a Joint Venture wherein the Company's shareholding is 49%.

II. Information about the appointee:

- (1) Background details:
Shri Aniruddha P. Deshmukh is a Mechanical Engineer from VNIT Nagpur and has done his Post Graduation in Business Management from IIM, Calcutta. He has work experience of over 32 years. He started his

career with MICO (now Bosch). He subsequently joined Raymond Limited in 1984 and has over three decades of rich experience. He has held positions of President J.K. Ansell (a joint Venture between Raymonds and the Ansell Group of Australia), President (Retail) and President (Textiles) in Raymonds.

(2) Past Remuneration:

Shri Aniruddha P. Deshmukh was paid a fixed remuneration (incl. perks and allowances) of ₹ 163.10 lacs and variable remuneration of ₹ 45.38 lacs and a special allowance of ₹ 4.40 lacs in the previous employment with Raymonds Limited

(3) Job Profile and his suitability:

Shri Aniruddha P. Deshmukh has rich experience of about three decades including in the field of Textiles. Looking to his overall exposure and experience and responsibilities shouldered by him, he is suitable for the position.

(4) Remuneration proposed:

As mentioned in Explanatory Statement in respect of item number 5 & 6 of this Notice convening 102nd Annual General Meeting.

(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Considering the size of the Company, the industry bench marks, experience of the appointee and the responsibilities to be shouldered by him, the proposed remuneration commensurates with the remuneration paid to similar appointees in other companies.

III. Other Information:

(1) Reasons of loss or inadequate profits:

During the year 2015-16, the Statement of Profit and Loss of the Company has been impacted by the interest on borrowing taken to fund the capital expenditure and increased working capital requirements, the depreciation charges in respect of new capital assets procured. The other continued factors affecting profitability of the Company continues to be the higher power costs due to non-availability of exchange traded power (trading in electricity over exchange), oversupply of products and low margins due to stiff competition from the unorganized sector etc. During the year 2015-16, the Company has made net profit of ₹ 1883.88 Lacs. However, for the purpose of calculating the managerial remuneration, the net profit calculated as per the provisions of Section 198

of the Companies Act, 2013 is ₹ 1972.52 Lacs. The finance cost for FY15-16 is ₹ 2116.12 Lacs as against ₹ 1684.05 Lacs for the FY14-15. The increase in finance cost in absolute term is mainly due to higher amount of working capital borrowing raised during the year to finance the higher working capital requirement and the Capex consequent to growth in business.

(2) Steps taken or proposed to be taken for improvement:

The focus of the Company for the year under review has been to invest in upgrading its facilities at both the Textiles and Denim Divisions and to add balancing equipment which would result in either increasing throughputs and/or reducing the cost of production. To this end, the net addition to Fixed Assets had been ₹ 60.54 crores. The benefits of increased output and improved operational profit have been partly visible for the year just ended and the Company expects further improvements.

This year additional printing capacity was commissioned. The Company operates in both, the business to business (B2B) and the business to consumer (B2C)/ retail segment and is a leading player in the polyester cotton and 100% cotton white shirting business; cotton and viscose prints and high twist cotton voiles. The Company has been successful in securing brand nomination business from leading national and international brands. This will enable us to have longer manufacturing run lengths and further improve on operating efficiencies. In the B2C segment, the Company conducted retail level conferences which were very successful and evinced tremendous response from the trade. A number of value added products were introduced in the whites segment and all of this has resulted in overall sales increases and gains in market shares in this segment.

In the coming year, the Company intends to add additional printing capacity and also equipment's to improve our value proposition for cotton, linen

and viscose products. Similarly increased field and retail presence, newer range of products including yarn dyed shirting should boost sales B2C sales in the coming year. On the market front the domestic distribution was strengthened with the addition of numerous distributors. Besides trade shows were conducted for the branded as well as trade business which drew a very good response. On the export front, there have been a very encouraging response to our trade collection from South America. The Company has opened a representative office in Bangladesh and expects good sales from that area as well as from other Asian countries like Vietnam.

(3) Expected increase in productivity and profits in measurable terms:

Our Company's future growth will be driven by volume growth across all of its three strategic business units. In the immediate future your Company will focus on its core strengths such as dominant position in school uniform segment (Marketing Service Division), leading player in the polyester cotton and cotton white shirting business; cotton and viscose prints and high twist cotton voiles (Textile Division) and differentiated and value added Denim product portfolio. Its focus on building marketing & distribution foot-prints shall continue with renewed vigor during the coming year. The investment in equipment which has been made is aimed at improving operating margins leading to increased throughput, improved product-mix and reducing manufacturing cost is expected to drive substantial growth in the bottom-line of the Company during the next year. Your Company is also building further on its current presence in B2C market as it offers substantial opportunity of growth in medium term. On the whole, our Company is optimistic for the outlook of growth in the short to medium term in terms of total revenues/turnover and operating margins considering overall expected positive trend in textiles industry.

Summarised Financial Data

₹ in lacs

Particulars	2005-2006	2006-08	2008 - 09
		(18 MONTHS)	
	1	2	3
PROFIT & LOSS ACCOUNT			
Total Income	16,699.56	41,273.38	54,998.06
Profit before Depreciation, Interest, Exceptional Items and Tax	(1,849.89)	6,689.72	35,183.24
Exceptional Items	-	-	-
Finance costs	(3,867.58)	(2,929.12)	(1,014.50)
Depreciation, Amortisation and Impairment	(780.94)	(807.08)	(402.02)
Profit before Tax	(6,498.41)	2,953.52	33,766.72
Profit after Tax	(6,521.01)	2,930.31	33,750.72
Dividend (₹ per share)			
Earning per share (EPS) ₹	(130.42)	58.61	675.01
BALANCE SHEET			
Net Fixed Assets	4,673.74	3,797.80	3,373.55
Investments	19,433.95	16,609.00	16,567.45
Current Assets (Net)*	(17,316.17)	(5,322.26)	(11,407.63)
Miscellaneous Exps not W/Off	3,474.16	1,279.69	0.75
Total Application	10,265.68	16,364.23	8,534.12
Borrowings	48,297.74	51,633.98	10,053.15
Net Worth:			
Share Capital	9,499.94	9,499.94	9,499.94
Reserves	(47,532.00)	(44,769.69)	(11,018.97)
	(38,032.06)	(35,269.75)	(1,519.03)
Total Sources	10,265.68	16,364.23	8,534.12
Book value per Equity Share (₹)	-	-	-
(Face value - ₹ 10 per Share)			
Debt/ Equity Ratio	-	-	-
Operating EBIDTA (%)	-11%	16%	64%
Profit After Tax (%)	-39%	7%	61%
Return on Net Worth (%)	19%	-8%	-183%
Return on Capital Employed	-21%	44%	279%

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

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

2009 - 10 (14 MONTHS)	2010 - 11 (13 MONTHS)	2011 - 12 (9 MONTHS)	2012 - 13	2013 - 14	2014 - 15	2015 - 16
4	5	6	7	8	9	10
30,913.02	70,525.95	18,069.79	84,038.13	93,549.12	1,04,469.00	1,34,465.93
7,164.51	36,024.71	(1,096.70)	8,999.05	4,610.45	5,018.17	6,119.18
-	16,086.77	(5,040.76)	697.74	736.77	898.63	-
(557.56)	(1,085.88)	(245.11)	(3,199.92)	(1,489.45)	(1,684.05)	(2,116.12)
(332.51)	(252.48)	(203.42)	(1,444.05)	(1,834.60)	(1,671.14)	(2,119.18)
6,274.44	50,773.12	(6,585.99)	5,052.82	2,023.17	2,561.61	1,883.88
5,176.30	38,056.00	(5,185.99)	3,715.93	2,393.38	2,437.49	1,712.38
			+ 5	3	3	3
71.16	387.78	(52.84)	26.71	17.20	17.52	12.31
1,975.17	1,613.34	2,003.60	15,648.04	17,273.65	20,091.35	22,256.58
12,477.61	5,477.25	5,009.80	4,871.58	4,865.37	4,788.97	4,794.09
(3,499.36)	41,657.38	27,067.95	24,293.87	23,154.29	25,157.03	31,516.46
-	-	-	-	-	-	-
10,953.42	48,747.97	34,081.35	44,813.49	45,293.31	50,037.35	58,567.13
7,296.15	7,034.70	554.07	8,997.04	10,571.81	13,492.29	20,812.05
6,981.32	6,981.32	3,981.32	4,391.22	1,391.22	1,391.22	1,391.22
(3,324.05)	34,731.95	29,545.96	31,425.23	33,330.28	35,153.84	36,363.86
3,657.27	41,713.27	33,527.28	35,816.45	34,721.50	36,545.06	37,755.08
10,953.42	48,747.97	34,081.35	44,813.49	45,293.31	50,037.35	58,567.13
50.30	425.04	341.63	257.43	249.56	262.67	271.37
1.99	0.17	0.02	0.25	0.30	0.37	0.55
23%	51%	-6%	11%	5%	5%	5%
17%	54%	-29%	4%	3%	2%	1%
484%	168%	-14%	10%	7%	7%	5%
70%	174%	-15%	18%	8%	8%	7%

Directors' Report

To
The Members,
Mafatlal Industries Limited

Your Directors are pleased to present the 102nd Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2016.

1. Financial Results:

The Financial Results of the Company are as under:

(₹ in lacs)

	Current Year 2015-16	Previous Year 2014-15
Revenue from Operations	132,308.74	1,01,351.54
Other Income	2,157.19	3,117.46
Total Income / Revenues	134,465.93	1,04,469.00
EBIDTA	6,119.18	5,018.17
Less: Depreciation	2,119.18	1,671.14
Finance Costs	2,116.12	1,684.05
Profit before Exceptional Items	1,883.88	1,662.98
Exceptional Items (Net)	-	898.63
Profit before Taxes	1,883.88	2,561.61
Tax (Expense) / Benefits	(171.50)	(124.12)
Profit after Taxes	1,712.38	2,437.49
Add: Surplus brought forward from previous year	4,870.25	3,046.69
Less: Depreciation on transition to Schedule II of the Companies Act, 2013	-	111.57
Amount available for appropriation	6,582.63	5,372.61
Appropriation		
Proposed Dividend	417.39	417.39
Corporate Dividend Tax	84.97	84.97
Surplus carried to Balance Sheet	6,080.27	4,870.25

Note: Figures are regrouped wherever necessary to make the information comparable.

2. Dividend:

The Board of Directors is pleased to recommend a dividend for the year of ₹ 3/- per share (@ 30%) on 1,39,12,886 Equity Shares of face value of ₹ 10/- each, aggregating to ₹ 417.39 lacs. (Same as Previous year)

3. Year in Retrospect:

The Company has, for the year ended 31st March 2016 reported a total revenue of ₹ 134465.93 lacs. This represents a significant growth of 29% over the total revenue of ₹ 104469.00 lacs for the previous year. All the Divisions of the Company recorded significant revenue and operational profit growth. The profit from operations before other income, finance costs and exceptional items stood at ₹ 6119.18 lacs, representing a significant improvement in operational performance as compared to ₹ 5018.17 lacs for the previous year. Overall the Company's net profit before tax stood at

₹ 1883.88 lacs as compared to ₹ 2561.61 lacs for the previous year largely on account of reduced exceptional and other income.

The focus of the Company for the year under review has been to invest in upgrading its facilities at both the Textiles and Denim Divisions and to add balancing equipment which will result in either increasing throughputs and/or reducing the cost of production. To this end, the net addition to Fixed Assets had been ₹ 6554 lacs. The benefits of increased output and improved operational profit have been partly visible for the year just ended and the Company expects further improvements.

During the year the Company has received sanctions for fresh Term Loans amounting to ₹ 8440 lacs as well as for Working Capital Limits amounting to ₹ 7500 lacs from various Banks/

Financial institution to part-finance the capital expenditure plans and higher working capital requirements. Your Directors express their appreciation to all the Lenders for reposing/continuing to repose the faith in the Company by extending various credit facilities to support its growth initiatives. The Company has been successful in raising ₹ 15940 lacs for its working capital and fixed asset investments during the course of the year.

During the year Credit Analysis & Research Limited (CARE) has maintained its "CARE BBB-" rating to the long term facilities having tenure of more than one year and has assigned its "CARE A3" rating to the short term facilities having tenure of up to one year. This indicates moderate degree of safety regarding timely payments of financial obligations.

Pursuant to the disclosure requirements, it is pertinent to note here that there has been no change in the nature of business during the year under review and also no order has been passed by any Regulator or Court or Tribunal, which can impact the going concern status of the Company and its Operations in future.

4. Details of changes of Directors and Key Managerial Personnel:

During the year under review, Smt. Latika P Pradhan has been appointed as Independent Director w.e.f. 17th April, 2015. Shri Gautam G. Chakravarti and Shri Sujal A. Shah have also been appointed as Independent Directors w.e.f. 30th May, 2015. The shareholders have at 101st Annual General Meeting held on 12th August, 2015 appointed all of them as Independent Directors for a respective term of five years.

Shri Niranjan K. Parikh, an Independent Director of the Company, after long tenure, retired with effect from 31st August, 2015. Shri Rajiv Y. Dayal opted for pre-mature retirement as the Managing Director & Chief Executive Officer as well as the Director of the Company with effect from 12th August, 2015 (after office hours). The Board of Directors of the Company places on record its appreciation for the services rendered by them during their association with the Company.

During the financial year 2015-16, Shri Aniruddha P. Deshmukh has been appointed on 13th August, 2015, as an Additional Director of the Company. He will hold office until the date of ensuing 102nd Annual General Meeting of the shareholders of the Company. Further the Board of Directors of the Company at their meeting held on 11th August, 2015 appointed Shri Aniruddha P Deshmukh as Managing Director & Chief Executive Officer (MD& CEO) of the Company for a period of five years from 13th August, 2015 in place of Shri Rajiv Y. Dayal who has opted for pre-mature retirement. The necessary resolution for approval of the shareholders has been proposed in the Notice convening 102nd Annual General Meeting.

The Board of Directors of the Company at their meeting held on 11th September, 2015 appointed Shri Milan P. Shah as Chief Financial Officer of the Company w.e.f. 17th September, 2015 in place of Shri Manoj D. Pandya who has taken up other senior responsibility within the Group.

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

5. Subsidiaries, Associates and Joint Ventures:

Mafatlal Services Ltd continues to be a subsidiary of the Company and Al Fahim Mafatlal Textiles LLC (UAE), continues to be Joint Venture in which the Company and JV Partner has 49:51 share.

The financial position of the subsidiary company 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 http://www.mafatlals.com/uploads/8/3/1/2/8312181/policy_on_materiality_of_subsidary.pdf The audited accounts of Mafatlal Services Limited, a subsidiary of the Company, for the year ended 31st March, 2016 is 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 any working day (Monday-Friday) during working hours and the Company will make available these documents upon request by any member of the Company who may be interested in obtaining the same.

6. 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 deposits during the year ended 31st March, 2016.

7. Internal Financial Controls:

The existing internal financial controls are adequate and commensurate with the nature, size, complexity of the Business and the Business Processes followed by the Company. During the year the Company has laid down the framework for ensuring adequate internal controls over financial reporting and such Internal Financial Controls have been reviewed by Independent Experts to ensure its effectiveness who have confirmed that such controls are adequate and operating effectively.

8. 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 along with proper explanation relating to material departures;

- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit 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 internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. Industrial Relations:

The relations between the employees and the Management have remained cordial and harmonious during the year under review. The total number of employees as on 31st March, 2016 were 3604.

10. Insurance:

The properties and insurable interests of your Company like buildings, plant and machinery, stocks etc. are adequately insured by the Company. Further disclosure on Risk Management of the Company has been made under the Corporate Governance Report which forms a part of this report.

11. Corporate Social Responsibility (CSR):

Mafatlal Industries Ltd., a part of Arvind Mafatlal Group, has been fulfilling its corporate social responsibilities for over 50 years much before CSR has been prescribed statutorily. The focus area of our working has been in the field of poverty alleviation, health care, education for young children and women's upliftment in rural India.

Pursuant to the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a CSR Committee. Shri H. A. Mafatlal is the Chairman of the said Committee and Shri V. P. Mafatlal and Shri V. R. Gupte (Independent Director) are other Members of the Committee. Based on the recommendations of the Committee, the Board of Directors have, formulated a

CSR Policy encompassing the Group's and the Company's philosophy for describing its responsibility as a corporate citizen and laid down the guidelines and mechanisms for undertaking socially relevant programmes, in conformity with the statutory provisions which is posted on the website of the Company and available on web link http://www.mafatlals.com/uploads/8/3/1/2/8312181/corporate_social_responsibility_policy.pdf. The statutory disclosure in respect of the CSR activities undertaken and amount spent by the Company during the year under review is disclosed in prescribed format and the same is annexed hereto forming a part of this report.

12. Related Party Transactions:

There are no materially significant related party transactions made by the Company during the year. Related Party Transactions Policy is posted on the website of the company and is available at http://www.mafatlals.com/uploads/8/3/1/2/8312181/related_party_policy.pdf. The details of all the transactions with the related parties are disclosed in the Notes forming part of financial statements annexed to the financial statements for the year 2015-16

13. Management Discussion and Analysis Report & Corporate Governance:

As required under Schedule V (B) and (C) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, "Management Discussion and Analysis Report" as well as "Corporate Governance Report", are attached herewith marked Annexure I & II respectively and the same form part of this Directors' Report.

Further, during the year under review, the Company has complied with all the mandatory requirements of the Corporate Governance. A certificate from the statutory auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to the Report on Corporate Governance.

14. Other Statutory disclosures:

The other statutory disclosures pursuant to Sections 134, 135, 188, 197 and other applicable provisions of the Companies Act, 2013 read with related rules are attached herewith marked Annexure III.

15. Statutory Auditors & Audit Report:

At the Annual General Meeting, Members are requested to ratify the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Vadodara, (Registration No.117364W), as Auditors of the Company made by resolution passed at the 100th Annual General Meeting of the Company, to hold office from the conclusion of the 100th Annual General Meeting

until the conclusion of the 103rd Annual General Meeting, for the balance term and accordingly they continue to hold office from the conclusion of the 102nd Annual General Meeting until the conclusion of the 103rd Annual General Meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

The specific notes forming part of the Accounts referred to in the Auditor's Report are self-explanatory and give complete information and addresses the qualification/reservation/remark/disclaimers in the Audit Report.

16. Cost Audit:

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read relevant Rules made thereunder the audit of the cost records of the Company for the year 2015-16 relating to the "Textiles" products manufactured and traded by the Company is being carried out by Cost Auditors Shri I V Jagtiani and Shri. B. C. Desai, Cost Accountants, The Cost Audit Report will be filed on or before due date with the Ministry of Corporate Affairs in due course of time after the same is approved by the Board of Directors of the Company by 27th September, 2016.

The Board has, at their Meeting held on 2nd May, 2016 appointed Shri B. C. Desai as Cost Auditor to audit cost records in respect of "Textiles" products manufactured and traded by the Company for the Financial Year 2016-17 and the remuneration payable to the Cost Auditor has been proposed for the approval/ ratification by the Members of the Company at the ensuing Annual General Meeting.

17. Internal Auditor:

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

18. Secretarial Auditor and Secretarial Audit Report:

The Board of Directors of the Company has, in compliance with the provisions of Section 304(1) of the Companies Act, 2013 and Rules made in this behalf, appointed Shri Manuprasad M. Patel, Company Secretary in practice to carry out Secretarial Audit of the Company for the financial year 2015-16, The Report of the Secretarial Auditor, is annexed to this Report as Annexure IV which is self-explanatory and give complete information.

19. Appreciation:

The Directors wish to place on record their appreciation of the devoted services of the workers, staff and the officers who have largely contributed to the efficient management of your Company.

For and on behalf of the Board

Place: Mumbai
Dated 2nd May, 2016

H. A. MAFATLAL
Chairman

Annexure I to Directors' Report

Management Discussion and Analysis

Overview of the Economy

The macro economic environment in year 2014-15 was marked by modest pick-up in activity amidst building internal & external stability, against the backdrop of tepid and multi-speed global recovery across regions. One of the redeeming features, while comparing the economic performances across the different countries has been the emergence of India amongst the few large economies with promising outlook amongst the pessimism and uncertainties that is engulfing number of advanced and emerging economies around the world.

The growth rate in GDP at constant (2011-12) market prices was 6.9 percent in 2013-14 and it rose to around 7.4 per cent in 2014-15. Factors like lower oil prices, plentiful flow of funds into India from the rest of the world and potential impact of the reforms initiated by the present Government, along with commitment to fiscal consolidation, augurs well for the growth prospects and overall macroeconomic situation of India. The possible headwinds to such a promising prospects may emanate from inadequate support from the global economy saddled with subdued demand conditions especially in Europe & Japan, recent slowdown of China and on domestic front from less than satisfactory growth of agriculture and challenges relating to massive requirement of skill development and infrastructure up gradation.

Textile Segment Review and Outlook

The Indian Textile manufacturing Sector is the second largest in the world after China. India is amongst few countries in the world which has manufacturing facilities across the entire value chain from fibre to finished product (in garments, home and technical textiles). Textile sector is estimated to be more than ₹ 7 lac crores in size with domestic consumption accounting for more than 62%. The sector is expected to double in size by 2021. Various studies have estimated the overall potential for this sector to be at ₹ 35 lac crores.

Textile Industry continues to be the second largest employer after agriculture, providing direct employment to 45-50 million people and indirect employment to another 55-60 million people. Labour

The Standalone Financials of the company is as under:

forms a significant part of the cost of manufacture and hence the performance of this sector is very much dependent on various labour policies. The volume growth in the industry has been quite modest over the past few years. India's fibre production is estimated to be 11 million tons per annum and growing at 4% pa and the yarn production is at 7 million tons per annum and growing at 3% pa. Overall fabric output is around 65 billion square meters and growing at 2% p.a.

Overall Company Performance Review and Outlook

Your Company operates in Textile segment with Textiles & Denim being separate strategic business units.

The financial year 2015-16 saw an improvement in the operating margins of the Company. The Company continued to invest in capital asset upgradation and modernization. At the plant level the operational focus has been to reduce overall costs, wastages and to improve machine efficiencies. We have met with good success on these fronts at both our Denim and Textile Plants and numerous initiatives are planned along similar lines for the coming year.

On the Market side, the Company continues to differentiate itself by introducing value added products and expanding its distribution network both in the domestic and international markets. An added thrust was provided to the branded business in the domestic market which has met with a very encouraging response from the trade and consumers. Further growth and initiatives in the areas mentioned above are on the anvil for FY16-17.

To capitalize on the opportunities ahead, the Company has strengthened its leadership team and its management resource base at the operative level. The Company is investing in various ongoing initiatives in the areas of Human Resource, Standard Operating Procedures, and Information Technology etc. We are confident that these initiatives will provide a strong base to build the future on.

Performance Review

In FY15-16, the performance of your Company has been encouraging. We have closed the financial year 2015-16 with 29% growth in Total Revenue and 22% growth EBITDA. PBT (excluding Exceptional Income) has shown a growth of 13% compared to FY14-15.

₹ In Lacs

Particulars	For the year ended on			
	March 31, 2016		March 31, 2015	
	Amount	% of Revenue	Amount	% of Revenue
Revenue from Operations	1,32,309	98%	1,01,352	97%
Other Income	2,157	2%	3,117	3%
Total Revenue	1,34,466	100%	1,04,469	100%
Cost of Material Consumed	29,985	22%	22,361	21%
Purchase of Stock-in-trade	58,872	44%	42,717	41%
Changes in Inventory of Finished Goods, Work-in-progress & Stock-in-trade	-2,413	-2%	-314	0%

₹ In Lacs

Particulars	For the year ended on			
	March 31, 2016		March 31, 2015	
	Amount	% of Revenue	Amount	% of Revenue
Employee Benefit Expenses	12,160	9%	9,737	9%
Other Expenses	29,743	22%	24,949	24%
Total Expenses	1,28,347	95%	99,451	95%
EBIDTA	6,119	5%	5,018	5%
Finance Cost	2,116	2%	1,684	2%
Depreciation & Amortisation	2,119	2%	1,671	2%
Profit Before Exceptional Items & Tax	1,884	1%	1,663	2%
Exceptional Items	-	0%	899	1%
Profit Before Tax	1,884	1%	2,562	2%
Net Tax Expenses	-172	0%	-124	0%
Profit for the year	1,712	1%	2,437	2%

Revenue from Operations and Other Income:

Total Revenue of the Company under review increased by 29% compared to previous year. However excluding Other Income (which mainly consists of Interest Income, Dividend Income from Long Term Investments, Net Gain on Foreign Currency Transactions and Other Non-Operating income) which has declined by 31%, the Revenue from Operation has grown by 31%.

Materials Consumed & Purchase of Traded Goods:

The cost of Material Consumed, which includes Cotton & Fibres, Yarn, un-processed fabric and other direct materials, constitutes 22% of Revenue from Operations for FY15-16 as against 21% in FY14-15. Purchase of Traded Goods shows growth of 38% in absolute terms leading to growth in sales volume for fabrics.

Employee Benefit Expenses

The Employee Benefit Expenses for the year is higher by 25% in absolute value; however, as a percentage to Total Revenue, it stands at 9%, same as that for FY14-15.

Other Expenses

Other Expenses which include various manufacturing, marketing and administrative overheads have gone up by 19% in absolute terms. As a percentage to Total Revenue, it has reduced to 22% from 24% for FY14-15.

Earnings from Operations before Interest & Depreciation (EBIDTA) excluding Exceptional/non-operating Items:

During the year under review, Company's EBIDTA excluding Exceptional Income stand at ₹ 6119 Lacs as against ₹ 5018 Lacs for FY14-15, registering a growth of 22%. As a percentage of Total Revenue, EBITDA stands at 5% same as that for FY14-15.

Debt

The total debt (including due within one year) of the Company as on 31st March, 2016 stood at ₹ 22,425 Lacs against ₹ 14,759 Lacs as on 31st March, 2015. The increase in Total Debt is a result of additional borrowing taken during the year for financing higher Working Capital & Capex requirement for the business.

Finance Costs

The finance cost for FY15-16 is ₹ 2116Lacs as against ₹ 1684 Lacs for the FY14-15. The increase in finance cost in absolute term is due to mainly higher amount of working capital borrowing raised during the year to finance the higher working capital requirement consequent to growth in business. Finance Cost as a percentage to Total Revenue however has remained same at 2% for FY15-16 as well as for FY14-15.

Depreciation

Depreciation in absolute terms has increased to ₹ 2119 Lacs as compared to ₹ 1671 Lacs in FY14-15; as a percentage to Total Revenue it is same as 2% for FY 15-16 and FY14-15.

Profit before Tax (PBT)

Although PBT has reduced to ₹ 1883.88 lacs compared to ₹ 2561.61 lacs for FY14-15, PBT before Exceptional Income for the year has grown to ₹ 1883.88 lacs compared to ₹ 1662.98 lacs for FY 14-15, showing 13% improvement. This is because during FY 15-16 there is no income of exceptional item, which was ₹ 899 lacs in FY 14-15.

Specific Division Wise Review and Outlook

Textiles:

Overall the business continued its growth momentum with increased sales and production. Sales Volume grew by 16% during the year

under review. Political problems in some of our major markets in the Middle East and Africa have resulted in supply interruptions for a prolonged period of time and have impacted sales in these markets. However, we have been partially successful in making inroads into some other markets in those areas.

This year additional printing capacity was commissioned. The Company operates in both the business to business (B2B) and the business to consumer (B2C)/retail segment and is a leading player in the polyester cotton and 100% cotton white shirting business; cotton and viscose prints and high twist cotton voiles. The Company has been successful in securing brand nomination business from leading national and international brands. This will enable us to have longer manufacturing run lengths and further improve on operating efficiencies. In the B2C segment, the Company conducted retail level conferences which were very successful and evinced tremendous response from the trade. A number of value added products were introduced in the whites segment and all of this has resulted in overall sales increases and gains in market shares in this segment.

Institutional and School Uniform business, where Company enjoys leadership, grew significantly during the year. A one day app based school uniform sales initiative for the trade, received an unprecedented response. The Company has been successful in retaining key accounts in the institutional business as well as getting new ones.

The School Uniform business provides a great opportunity for the Company in the coming years and pursuing the use of web and app based technologies to facilitate business growth in these areas is one of the main drivers. Further forays are also being planned in the Home and Ladies wear segment.

The Company will also have additional focus in the bottom weight suiting especially in the polyester cotton and polyester viscose segments. The Ready to Stitch Combos will also form an increasing part of the offering. The Company has a strong base on the retail front with over 100 Mafatlal Family Shops all across the country and this will be further strengthened.

In the coming year, the Company intends to add additional printing capacity and also equipments to improve our value proposition for cotton, linen and viscose products. Similarly increased field and retail presence, newer range of products including yarn dyed shirting should boost sales B2C sales in the coming year.

Denim:

The Company had significant production and sales increases in this business which benefitted from the increased dyeing capacity. The Sales Volume grew by 38.3% during the year under review. The

product base also shifted to the higher end value added products with dobby constructions and light weight denims. A number of new finishes were also introduced.

On the market front the domestic distribution was strengthened with the addition of numerous distributors. Besides trade shows were conducted for the branded as well as trade business which drew a very good response. On the export front, there have been a very encouraging response to our trade collection from South America. The Company has opened a representative office in Bangladesh and expects good sales from that area as well as from other Asian countries like Vietnam.

In the coming year, the Company is investing in procuring additional wide width looms so that costs are optimized and speed to market is improved. Additionally, investments are being made in printing and finishing machines. It is expected that the investments that are being made in developing various international markets and brand business will further strengthen the business proposition.

Human Resources

The Company's human resources strength stood at 3604. There are regular training programmes conducted at all the locations to improve the skills and capabilities and these will be further enhanced in the coming years. There were cordial and harmonious industrial relations during the year. The material development in terms of new appointments and changes at the Board level and changes in key managerial personnel have been highlighted in the Directors Report.

Outlook:

Your Company's future growth will be driven by volume growth across both the strategic business units. In the immediate future your Company will focus on its core strengths product segments such as school uniform, polyester cotton & cotton white shirting business; cotton & viscose prints and high twist cotton voiles and differentiated and value added Denim product portfolio. Its focus on building marketing & distribution foot-prints shall continue with renewed vigor during the coming year. The investment in equipment, which has been made, is aimed at improving operating margins leading to increased throughput, improved product-mix and reducing manufacturing cost and is expected to drive substantial growth in the bottom-line of the Company during the next year. Your Company is also building further on its current presence in B2C market as it offers substantial opportunity of growth in medium term. On the whole, your Company is optimistic for the outlook of growth in the short to medium term in terms of total revenues/turnover and operating margins considering overall expected positive trend in textiles industry.

Annexure II to Directors' Report

Corporate Governance Report

This Corporate Governance Report for the year ended 31st March, 2016, forms 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1 A brief statement on listed entity's philosophy on Code of Governance:

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

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

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

2 Board of Directors:

The Board of Directors consisted of 10 (Ten) Directors as at the end of the year. The Board comprised of one Executive Promoter Director, one Non-Executive Promoter Director, one Executive Professional Director and seven Non-Executive Independent Directors including one Woman Director. The Board of Directors is headed by Shri H. A. Mafatlal who is the Chairman of the Company. The composition of the Board is in conformity with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Details of the attendance of Directors for the Board and Annual General Meeting and other Committee details of Directors:

Sr. No.	Names of Directors	Category	No. of Board Meetings held	No. of Board Meetings attended	Whether last AGM held on 12th August, 2015 attended	Other directorship held (including private companies) at the year end	\$ No. of Committee Membership / Chairmanship in other companies at the year end	
							As Chairman	As Member
1.	Shri H. A. Mafatlal	Promoter Non-Executive	09	09	Yes	07 (03 Pvt. Ltd. Cos. & 01 Foreign Co.)	00	02
2.	Shri Praful R. Amin	Non-Executive Independent	09	08	Yes	Nil	Nil	Nil
3.	Shri N.K. Parikh (upto 31.08.2015)	Non-Executive Independent	09	04	Yes	Nil	Nil	Nil
4.	Shri A.K. Srivastava	Non-Executive Independent	09	08	Yes	01	Nil	01
5.	Shri V. P. Mafatlal	Promoter Executive	09	08	Yes	14 (10 Pvt. Ltd. Cos. & 01 Foreign Co.)	Nil	01
6.	Shri Rajiv Dayal (upto 12.08.2015)	Executive Non- Independent	09	04	Yes	01	Nil	Nil
7.	Shri Vilas R. Gupte	Non-Executive Independent	09	08	Yes	02	Nil	01
8.	Shri P. N. Kapadia	Non-Executive Independent	09	09	Yes	11 (07 Pvt. Ltd. Cos.)	02	06
9.	Smt. Latika P. Pradhan (w.e.f. 17.04.2015)	Non-Executive Independent	09	09	Yes	01	01	Nil

Sr. No.	Names of Directors	Category	No. of Board Meetings held	No. of Board Meetings attended	Whether last AGM held on 12th August, 2015 attended	Other directorship held (including private companies) at the year end	\$ No. of Committee Membership / Chairmanship in other companies at the year end	
							As Chairman	As Member
10.	Shri Gautam G. Chakravarti (w.e.f. 30.05.2015)	Non-Executive Independent	09	08	Yes	13 Pvt. Ltd. Companies	Nil	Nil
11.	Shri Sujal A. Shah (w.e.f.30.05.2015)	Non-Executive Independent	09	08	Yes	13 (05 Pvt. Ltd. Cos.)	04	05
12.	Shri Aniruddha P. Deshmukh (w.e.f. 13.08.2015)	Executive Non- Independent	09	06	N.A.	Nil	Nil	Nil

[§]Under this column, memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies (excluding Mafatlal Industries Limited), are only considered

Number of Meetings of the Board of Directors held and dates on which held:

During the year under review viz., 1st April, 2015 to 31st March, 2016, total 9 (nine) Meetings of the Board of Directors of the Company were held on the following dates viz., 17th April, 2015, 30th May, 2015, 8th July, 2015, 11th August, 2015, 11th September, 2015, 28th October, 2015, 22nd December, 2015, 28th January, 2016, and 31st March, 2016. The Company has thus, observed the provisions of Section 173 of the Companies Act 2013 read with Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, allowing not more than 120 days gap between two such Meetings.

Independent Directors Meeting:

Pursuant to provisions Schedule IV to the Companies Act, 2013, during the year under review, one meeting of the Independent Directors of the Company was held on 31st March, 2016. Shri P. R. Amin was unanimously elected as Chairman of the said Meeting. All the Independent Directors remained present at the meeting where in 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:

Shri H.A. Mafatlal, Non-Executive Chairman is related to Shri V. P. Mafatlal, Executive Vice-Chairman of the Company, none of the other Directors is related to any other Director.

Details of shareholding of Non-Executive Directors:

Names of the Directors	Number of Equity Shares of the Company held as at the year end
Shri H. A. Mafatlal	826803
Shri P. R. Amin	211
Shri N. K. Parikh (upto 31st August, 2015)	N.A.
Shri A. K. Srivastava	Nil
Shri V. R. Gupte	02
Shri P. N. Kapadia	138
Smt. Latika P. Pradhan	Nil
Shri Gautam G. Chakravarti	Nil
Shri Sujal A. Shah	Nil

The Company does not have any other security issued (except equity share). The details of the familiarization programmes imparted to Independent Directors is disclosed at the Company's website at http://www.mafatlals.com/uploads/8/3/1/2/8312181/familiarisation_programme_for_independent_directors.pdf

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. The composition of the Committee is also in conformity with the said provisions.

The Audit Committee of the Board of Directors of Company consisted of four Directors viz. Shri Praful R. Amin, Shri Vilas. R. Gupte, Shri Sujal A. Shah and Smt. Latika P. Pradhan. All members of the Audit Committee are Non-Executive Independent Directors. Shri Praful R. Amin, a Chartered Accountant, is the Chairman of the Audit Committee. Shri Ashish A. Karanji, Company Secretary of the Company acts as Secretary to the Committee. During the year under review, five Meetings of the Audit Committee of the Board of Directors of the Company were held and the attendance of the members are as follows.

Sr. No.	Dates on which the Meetings of the Audit Committee were held during the year 2015-16	Shri P. R. Amin	Shri N.K. Parikh	Shri V. R. Gupte	Smt. Latika P. Pradhan	Shri Sujal A. Shah
1.	30th May, 2015	Yes	Yes	No	N.A.	N.A.
2.	11th August, 2015	Yes	Yes	Yes	N.A.	N.A.
3.	11th September, 2015	Yes	N.A.	Yes	Yes	Yes
4.	28th October, 2015	Yes	N.A.	Yes	Yes	Yes
5.	28th January, 2016	Yes	N.A.	Yes	Yes	Yes

Yes: Attended, No: Not Attended, N.A.: Not Applicable

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 is also in conformity with the said provisions.

The Nomination and Remuneration Committee of the Board of Directors of the Company consisted of four Directors viz. Shri Vilas R. Gupte, Shri Praful R. Amin, Shri Pradip N. Kapadia and Shri Gautam G. Chakravarti. All of them are Non-Executive Independent Directors of the Company. Shri Vilas R. Gupte is the Chairman of the Committee. Shri Ashish A. Karanji, Company Secretary of the Company acts as Secretary to the Committee. During the year under review, six Meetings of the Committee were held which were attended by the members as follows:

Sr. No.	Dates on which the Meetings of the Audit Committee were held during the year 2015-16	Shri V. R. Gupte	Shri P. R. Amin	Shri P. N. Kapadia	Shri G. G. Chakravarti
1.	17th April, 2015	Yes	Yes	Yes	N.A
2.	30th May, 2015	No	Yes	Yes	N.A
2.	8th July, 2015	Yes	Yes	Yes	N.A
2.	11th August, 2015	Yes	Yes	Yes	N.A
3.	11th September, 2015	Yes	Yes	Yes	Yes
4.	31st March, 2016	Yes	Yes	Yes	Yes

Yes: Attended, No: Not Attended, N.A.: Not Applicable

Performance evaluation criteria for Independent Directors:

Performance evaluation criteria for Independent Directors, as per the Nomination & Remuneration Policy of Company, is as under:

- Participation in the vision and strategy of the Company
- Commitment and Discipline towards his role and responsibilities
- Exercising Independent Judgment
- Maintenance of satisfactory attendance at the meetings of the Board and its Committees.

- v. Diligence in preparation and remaining well-informed
- vi. Participation in reviews of the internal financial controls and performance and seeking clarification and amplification as required.
- vii. Participation in decision-making process & making constructive suggestions.
- viii. Participation in Risk Management issues of the Organization and making constructive suggestion.
- ix. Communication –meaningful and in constructive manner and giving fair chance to others for expressing their views.
- x. Contribution in implementing and sustaining good governance practices and review of compliances.
- xi. Giving due weightage to the interest of all the Stakeholders in the process of decision making.

5. Remuneration of Directors:

There are no pecuniary relationship 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 fees paid to them.

The Company has been paying sitting fees to each Non-Executive Directors for attending the meetings of the Board of Directors and the Committees thereof @ ₹ 20,000/- per meeting which is revised to ₹ 35,000/- per meeting effective from 1st April, 2016. In addition to the sitting fees, the Non-Executive Directors are paid travelling/ conveyance expenses @ ₹ 1,000/- per day of meeting (unless conveyance is provided by the Company) and the diem allowance @ ₹ 2,000/- per day of meeting to the outstation directors.

The Shareholders of the Company at 99th Annual General Meeting held on 31st July, 2013 has authorised the payment of commission to Non-Executive Directors not exceeding 1% of the Net Profits of the Company determined in the prescribed manner under the provisions of the Companies Act for a period of five years until 31st March, 2017. On a yearly basis, the Board decide the payment to Non-Executive Directors. However due to inadequacy of profits for covering managerial remuneration for the year 2015-16, the Board of Directors of the Company has decided not to pay any commission to any of the Non-Executive Directors of the Company.

Details of Remuneration paid to all Directors:

(₹ in lacs)

Sr. No.	Names of Directors	Salary, Allowances & Perquisites	Commission*	Sitting Fees	Total
1	Shri H. A. Mafatlal	Nil	Nil	2.00	2.00
2	Shri P. R. Amin	Nil	Nil	4.00	4.00
3	Shri A. K. Srivastava	Nil	Nil	2.00	2.00
4	Shri V. R. Gupte	Nil	Nil	4.00	4.00
5	Shri P. N. Kapadia	Nil	Nil	3.60	3.60
6	Shri Vishad P. Mafatlal#	126.15	Nil	Nil	126.15
7	Smt Latika P. Pradhan	Nil	Nil	2.60	2.60
8	Shri Gautam G. Chakravarti	Nil	Nil	2.20	2.20
9	Shri Sujal A. Shah	Nil	Nil	2.20	2.20
10	Shri Aniruddha P. Deshmukh # (w.e.f.13.05.2015)	122.39	Nil	-	122.39
11	Shri Rajiv Dayal# (upto 12.08.2015)	180.77	Nil	-	180.77
12	Shri N. K. Parikh (upto 31.08.2015)	Nil	Nil	1.20	1.20

No Bonus or stock options given/provided to any directors for the financial year 2015-16.

The Executive Directors (individually), as a part of the agreed terms of their appointment, are entitled to 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 inadequacy of profits for the year 2015-16, no performance linked bonus/commission has been paid to any Director of the Company.

The remuneration of Executive Directors includes the contribution to P. F. and superannuation fund and in respect of Shri Rajiv Dayal it is inclusive of all retirement benefits i.e. leave encashment, Gratuity payments at the end of tenure as per the policy of the Company.

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

Letters of appointment containing terms and conditions including remuneration, were issued to all the Executive Directors. The appointment of Managing Director can be terminated by a notice of three months from either side. Besides, the appointment letters were also issued to all Independent Directors of the Company, a copy of the standard terms and conditions thereof is posted on the website of the Company under "Financial" section.

6 Stakeholders' Relationship Committee:

The Board of Directors of the Company reviews the stakeholders'/investors' grievances, if any at the end of every quarter. The terms of reference of the Committee is 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 Stakeholders Relationship Committees of the Board of Directors of the Company consists of Shri P. N. Kapadia, Shri V. P. Mafatlal, Shri H. A. Mafatlal and Shri A. K. Srivastava. Shri P. N. Kapadia, a Non-Executive Independent Director, is the Chairman of the said Committee. Shri Ashish A. Karanji, Company Secretary & Compliance Officer of the Company, acts as Secretary to the Committee.

During the year 2015-16 two meetings of the Stakeholders Relationship Committee were held and the attendance of the Members was as under.

Sr. No.	Date of the Stakeholders Relationship Meeting	Shri P. N. Kapadia	Shri V. P. Mafatlal	Shri H. A. Mafatlal	Shri A. K. Srivastava
1.	28th January, 2016	Yes	Yes	Yes	Yes
2.	31st March, 2016	Yes	Yes	Yes	Yes

The details of complaints received from Stakeholders from 1st April, 2015 to 31st March, 2016, are as follows:

Number of shareholders complaints received so far	:	11
Number not solved to the satisfaction of shareholders	:	NIL
Number of pending complaints	:	NIL

7. General Body Meetings:

(a) 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.	J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015	10.00 a.m.	101st Annual General Meeting held on 12th August, 2015	Yes (2)
2.	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad-380 006.	10.30 a.m.	100th Annual General Meeting held on 5th August, 2014	Yes(4)
3.	Thakorebhai Desai Hall, Near Law Garden, Ellisbridge, Ahmedabad-380 006.	10.30 a.m.	99th Annual General Meeting held on 31st July, 2013	Yes (3)

(b) Postal Ballot :

- (i) Whether any special resolution passed last year, through Postal Ballot :
- Yes

(ii) Details of voting pattern:

Particulars	Aggregate of physical ballot forms and electronic voting	No of votes cast	% of valid votes
Total number of Postal Ballot Forms received	306	10636360	-
Less: Total number of invalid Postal Ballot Forms	62	155	-
(A) Total number of valid Postal Ballot Forms	244	10636205	-
Total votes received by electronic mode.	152	107615	-
Less: total no of invalid votes	6	226	-
(B) Total no of valid votes	146	107389	-
Total valid Postal Ballot/votes received	458	10743975	100%
Assented to Resolutions	390	10743594	99.9965%
Dissented to Resolutions	68	381	0.0035%
Results	Carried with requisite majority.		

(iii) Person who conducted the Postal Ballot Exercise:

Shri Manuprasad M. Patel, M.Com., LL.B. (Special), FCS. Company Secretary in Practice conducted the Postal Ballot Exercise as Scrutinizer.

(iv) Whether any Special Resolution is proposed to be conducted through Postal Ballot:

No

(v) Procedure for postal ballot: N.A.

v. Presentations made to institutional investors or to the analysts

None.

9 General Shareholders Information:

i. Annual General Meeting – date, time and venue:

102nd Annual General Meeting of the Company will be held on Thursday, 11th August, 2016 at 11.00 A.M. at J.B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015.

ii. Financial Year:

April 1st to March 31st every year

iii. Dividend payment date:

The dividend as recommended by the Board of Directors, if declared at the 102nd Annual General Meeting will be paid on 17th August, 2016.

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 and Ahmedabad Stock Exchange. The Company has paid Listing Fees for the year 2016-17 for both of them.

(e) Stock Code:

- i) BSE Limited: Security Code: 500264
- ii) Ahmedabad Stock Exchange Ltd.: Security Code: 34100

8. Means of communication:

i. Quarterly Results

The Results are submitted to the Stock Exchanges at which the equity shares of the Company are listed viz. BSE Ltd. and Ahmedabad Stock Exchange Ltd. The mode of submission is by way of email, online filing in Listing Center of BSE Ltd. and paper copy filing with the stock exchange. Additionally the Results are also displayed on the Company's website www.mafatlals.com.

ii. Newspapers wherein results normally published:

The Economic Times, in English

The Economic Times in Gujarati in both Ahmedabad and Mumbai Editions.

iii. Any website, where displayed:

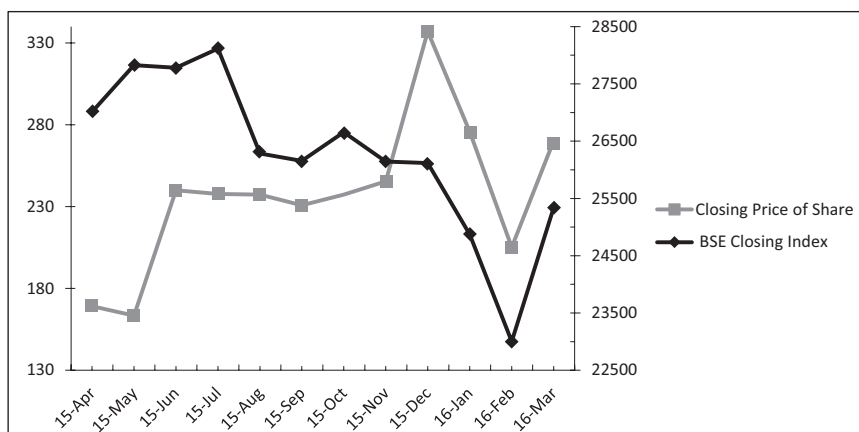
The Financial Results are displayed by the Company on its website www.mafatlals.com.

iv. Whether it also displays official news releases:

Yes.

(f) Market price data high, low during each month in last Financial Year:

Month	Highest (₹)	Lowest (₹)	BSE Sensex Highest	BSE Sensex Lowest	No. of Trades No.
April, 2015	171.90	151.60	29,094.61	26,897.54	1,000
May, 2015	174.50	154.50	28,071.16	26,423.99	625
June, 2015	249.70	165.80	27,968.75	26,307.07	3,597
July, 2015	256.90	214.50	28,578.33	27,416.39	4,511
August, 2015	319.60	201.10	28,417.59	25,298.42	6,943
September, 2015	249.00	203.00	26,471.82	24,833.54	2,025
October, 2015	298.70	224.00	27,618.14	26,168.71	2,731
November, 2015	256.00	218.10	26,824.30	25,451.42	1,093
December, 2015	349.00	232.10	26,256.42	24,867.73	5,203
January, 2016	380.10	241.00	26,197.27	23,839.76	4,549
February, 2016	278.80	199.00	25,002.32	22,494.61	1,568
March, 2016	273.90	207.00	25,479.62	23,133.18	1,173

(g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.:

Company Share Price and BSE Sensex

	15-Apr	15-May	15-Jun	15-Jul	15-Aug	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar
Share Price (in ₹)	169.10	163.40	240.00	237.80	237.30	230.80	237.40	245.40	337.10	275.70	205.20	270.30
BSE Sensex	27,011.31	27,828.44	27,780.83	28,114.56	26,283.09	26,154.83	26,656.83	26,145.67	26,117.54	24,870.69	23,002.00	25,341.86

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

Not applicable.

(i) Registrar and Share Transfer Agents:

In terms of the Order No. PRNo.66/2016 dated 22nd March, 2016 passed by Securities Exchange Board of India (SEBI) against Sharepro Services (I) Pvt. Ltd. {the Company's Registrar & Share Transfer Agents (RTA)}, the Board of Directors of the Company at their meeting held on 2nd May, 2016, appointed Karvy Computershare Private Limited as the Company's Registrar and Share Transfer Agents w.e.f. 21st May, 2016 in place of Sharepro Services (I) Pvt. Ltd. in compliance with the said order. Accordingly, all the shareholders related activities shall be carried on by the new RTA effective from 21st May, 2016. The communication details of Karvy is mentioned in para (p) mention herein after.

(j) Share Transfer System:

The Registrar & Transfer Agents of the Company undertakes all the shares & dividend related work of the shareholders of the Company. The RTA verify & process the valid Transfer documents received from shareholders and prepares a statement which

is approved by any two of the Members (Directors) of the Share Transfer Committee viz. Shri P. R. Amin, Shri A. K. Srivastava and Shri H. A. Mafatlal. The share transfers are registered and returned within 15 days from the date of receipt, if relevant documents are complete and verification is proper in all respects.

(k) Distribution of shareholding:

Distribution of shareholding as on 31st March, 2016 is as under:

Description (Slab)	No. of Share Holders		Holdings	
	Folios	%	No. of shares	%
Upto 50	104618	96.91	503977	3.623
51-500	2805	2.598	468607	3.368
501-1000	267	0.247	199874	1.437
1001-2000	116	0.107	169215	1.216
2001-3000	40	0.037	95761	0.688
3001-4000	17	0.016	58763	0.422
4001-5000	20	0.019	94994	0.683
5001-10000	22	0.020	147487	1.060
10001-Above	51	0.047	12174208	87.5
TOTAL	107956	100.00	13912886	100

(l) 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, 2016, 18435 shareholders holding 13416535 Equity Shares have dematerialized their shares which constitutes 96.43% of the total Paid-up Equity Share Capital of the Company. The equity shares of the Company are traded at BSE Limited.

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

None.

(n) 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. Hence, the Company endeavors to mitigate the risk associated with the exchange rate fluctuation by entering into a hedging contracts with the Company's Bankers. As of now, the Company does not do any hedging in respect of commodities.

(o) Plants / Factories location:

- | | |
|----------------------------------|--|
| 1) Nadiad Unit | : Kapadvanj Road, Nadiad 387 001. (Gujarat) |
| 2) Navsari Unit | : Vejalpore Road, Navsari 396445. (Gujarat) |
| 3) Mazgaon Unit(Non-operational) | : Rambhau Bhogale Marg, Mazgaon, Mumbai 400 010. (Maharashtra) |

(p) Address for correspondence:

Karvy Computershare Pvt. Ltd.

Unit: Mafatlal Industries Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Tel:040 6716 2222 Fax: 040 2342 0814
E-mail: einward.ris@karvy.com
website: www.karvycomputershare.com

M/s. Karvy Computershare Pvt. Ltd.
201, Shail Complex, Opp. Madhusudan House, Off: C G Road, Nr. Navrangpura Telephone Exchange, Ahmedabad 380006 Phone: 079-26400527,65150009
Email: ahmedabad@karvy.com

The dedicated email id for the shareholders of the Company to make correspondence with Karvy is: mafatlal.ris@karvy.com

For the convenience of the shareholders of the Company, the documents will continue to be accepted by the Company at its registered office.

Mafatlal Industries Limited

Corporate Identity Number: L17110GJ1913PLC000035

Registered 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	Corporate Office: Kaledonia Office No.3, 6th floor,'B' Wing, Opp. Vijay Nagar Society, Sahar Road, Andheri (E), Mumbai - 400069 Tel: 91 22 6771 3800, Fax: 91 22 6771 3924
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10 Other Disclosures:

- (a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

The Company has not entered into any materially significant related party transactions.

- (b) **Details of non-compliance by the listed entity, penalties, 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:**

The Company had received Notice dated 5th March, 2014, from SEBI for non-compliance of Regulations 8(1) and 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, for non-filing of disclosure with Stock Exchanges in respect of the Shares held by the Company of Mafatlal Finance Co. Ltd., as Promoter of the said company. The Company filed its written submissions and also appeared at the personal hearing through Advocates. However, the Adjudicating Officer vide Order dated 24th March, 2014, levied a Penalty of ₹ 10 lacs. The Company preferred an Appeal before the SEBI Appellate Tribunal (SAT) against the said Order. At the hearing held on 13th June, 2014, SAT dismissed the Appeal filed by the Company. Consequently, the Company had towards the compliance of the SEBI Order, made the payment of ₹ 10 lacs to SEBI and settled the matter.

Further, the Board of Directors of the Company appointed Smt. Latika P. Pradhan, as an Additional Director (as Independent Director on 17th April, 2015). Since there was a delay in appointment of a woman director on the board within the statutory time limit i.e. 31st March, 2015, Bombay Stock Exchange imposed penalty of ₹ 50,000/-, which was paid by the Company and the matter was settled.

- (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, the Company has devised vigil mechanism and have formal whistle blower policy under which the Company takes cognizance of complaints made by the employees and others. No employee of the Company/ no other person has been denied access to the Audit Committee of the Board of Directors of the Company. During the year under review, no 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 http://www.mafatlals.com/uploads/8/3/1/2/8312181/whistle_blower_policy.pdf

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

The Company has in place an Anti Sexual Harrassment Policy in line with the requirements of the said Act. Internal Complaints Committees have been setup to redress Complaints, if any. During the year under review, no Complaints have been received in respect of Sexual Harrassment from any of the employees of the Company.

- (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. The Company has also complied with the non-mandatory requirement of separate post of Chairman and CEO. Shri H. A. Mafatlal is a Non- Executive Chairman while Shri Aniruddha P. Deshmukh is a Managing Director & CEO of the Company. 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**

www.mafatlals.com/upload/8/3/1/2/8312181/policy_on_materiality_of_subsidiary.pdf

- (g) **Web link where Policy on dealing with Related Party Transactions:**

www.mafatlals.com/upload/8/3/1/2/8312181/related_party_policy.pdf

- (h) **Disclosure of Commodity price risk and commodity hedging activity:**

Not Applicable/None

- 11 **Disclosures with respect to demat suspense account/ unclaimed suspense account.**

Not Applicable

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

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

Annexure III to Directors' Report

(A) Statutory Disclosures under the provisions of Section 134 of the Companies Act, 2013 (apart from disclosures already made in the Directors' Report) :

i) Extract of the Annual Return:

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:	
i) CIN :-	L17110GJ1913PLC000035
ii) Registration Date:-	20 January, 1913
iii) Name of the Company:-	Mafatlal Industries Limited
iv) Category / Sub-Category of the Company :-	Public Company Limited by Shares
v) Address of the Registered office and contact details	Heritage Horizon, 301-302, 3rd Floor, Off: C. G. Road, Navrangpura, Ahmedabad - 380 009. Tel: 91-79-26444404-06 Fax: 91-79-26444403 E-mail: ahmedabad@mafatlals.com Website: www.mafatlals.com
vi) Whether listed company :-	BSE LTD (Bombay Stock Exchange) and ASE (Ahmedabad Stock Exchange Limited)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :-	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Tel:040 6716 2222, Fax: 040 2342 0814 E-mail: einward.ris@karvy.com website: www.karvycomputershare.com

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	Company operates in single business -Textiles	1711	100%

III. Particulars of Holding, Subsidiary and Associate Companies -

Sr. No	Name And Address Of The Company	Cin/Gln	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section Of Companies Act,2013
1	Mafatlal Services Limited Mafatlal House, Backbay Reclamation, Mumbai 400020.	U51900MH1962PLC012314	Subsidiary	88%	2(87)
2	Al Fahim Linez LLc (UAE)	-	Joint Venture	49%	2(6)

IV. Share Holding Pattern (With Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2015				No. of Shares held at the end of the year 31st March 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4870883	0	4870883	35.01	4865969	0	4865969	34.97	-0.04
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt. (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	5483927	0	5483927	39.42	5483927	0	5483927	39.42	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other (specify).	0	0	0	0.00	0	0	0	0.00	0.00
i. Trusts	65145	0	65145	0.47	64889	0	64889	0.47	0.00
Sub-total (A) (1):-	10419955	0	10419955	74.89	10414785	0	10414785	74.86	-0.04
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	3	9112	9115	0.07	3	9112	9115	0.07	0.00
b) Banks / FI	208802	772	209574	1.51	212380	772	213152	1.53	0.03
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	154896	1	154897	1.11	142815	1	142816	1.03	-0.09
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	363701	9885	373586	2.69	355198	9885	365083	2.62	-0.06
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	150371	1957	152328	1.09	137561	1965	139526	1.00	-0.09
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1016401	495961	1512362	10.87	1037173	483913	1521086	10.93	0.06
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1400003	-	1400003	10.06	1414119	-	1414119	10.16	0.10
c) Others (specify)									
i) Non-Resident Indian	53870	738	54608	0.39	57661	588	58249	0.42	0.03
ii) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iv) Clearing Members	-	-	-	-	-	-	-	-	-
v) Trust	44	-	44	-	38	-	38	-	-
vi) Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	2620689	498656	3119345	22.42	2646552	486466	3133018	22.52	0.10
Total Public Shareholding (B) = (B) (1) + (B)(2)	2984390	508541	3492931	25.11	3001750	496351	3498101	25.14	0.04
C. Shares held by Custodian for GDRs & ADRs					-	-	-	-	-
Grand Total (A + B + C)	13404345	508541	13912886	100.00	13416535	496351	13912886	100.00	-

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (01-04-2015)			Shareholding at the end of the Year (31-03-2016)		
		No. of Shares	% of Total Shares of the Company	% of Total Shares Pledged/encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Total Shares Pledged/encumbered to Total Shares
1	Vishad Padmanabh Mafatlal	1212316	8.72	0.00	1212316	8.72	0.00
2	Hrshikesh Arvind Mafatlal	826803	5.94	0.00	826803	5.94	0.00
3	Rupal Vishad Mafatlal	1203465	8.65	0.00	1203465	8.65	0.00
4	Rekha Hrshikesh Mafatlal	804283	5.78	0.00	804283	5.78	0.00
5	Priyavrata Hrshikesh Mafatlal	554232	3.98	0.00	554232	3.98	0.00
6	Anjali Hrshikesh Mafatlal	150999	1.09	0.00	-	-	-
7	Aarti Hrshikesh Mafatlal	102512	0.74	0.00	-	-	-
8	A.N. Mafatlal Karta Of A.N.M. HUF 4 Mafatlal	5585	0.04	0.00	5585	0.04	0.00
9	*Maithili N. Desai	3559	0.03	0.00	-	-	-
10	Aarti Manish Chadha	1830	0.01	0.00	104342	0.75	0.00
11	Anjali Kunal Agarwal	1830	0.01	0.00	152829	1.10	0.00
12	*Narendar D. Desai	1611	0.01	0.00	-	-	-
13	P.A.Mafatlal As Karta Of P.A.M. HUF 1 Mafatlal	1455	0.01	0.00	1455	0.01	0.00
14	Vishad P. Mafatlal Pam Huf1 P Mafatlal	455	0	0.00	455	0	0.00
15	Chetna Padmanabh Mafatlal	204	0	0.00	204	0	0.00
16	Navin Fluorine International Limited	1774707	12.76	0.00	1774707	12.76	0.00
17	Altamount Products & Services Pvt. Ltd.	1064443	7.65	0.00	1064443	7.65	0.00
18	Sukarma Investments Pvt. Ltd	839173	6.03	0.00	839173	6.03	0.00
19	Nocil Limited	566320	4.07	0.00	566320	4.07	0.00
20	Suremi Trading Private Limited	415279	2.98	0.00	415279	2.98	0.00
21	Mafatlal Exim Pvt. Ltd.	376207	2.7	0.00	376207	2.7	0.00
22	Mafatlal Impex Private Limited	393728	2.83	0.00	393728	2.83	0.00
23	Arvi Associates Pvt Ltd	25259	0.18	0.00	25259	0.18	0.00
24	Gayatri Pestichem Mfg Pvt Ltd	22305	0.16	0.00	22305	0.16	0.00
25	Pamil Investments Private Limited	4197	0.03	0.00	4197	0.03	0.00
26	Sushripada Investments Private Limited	2269	0.02	0.00	2269	0.02	0.00
27	Sumil Holdings Private Ltd	10	0	0.00	10	0	0.00
28	MilapTexchem Private Limited	10	0	0.00	10	0	0.00
29	Milekha Texchem Company Private Limited	10	0	0.00	10	0	0.00
30	Shamir Texchem Private Limited	10	0	0.00	10	0	0.00
31	Sheth Mafatlal Gagalbhai Foundation Trust No 2 To 22	16506	0.12	0.00	16506	0.12	0.00
32	Navinchandra Mafatlal Charity Trust No 2 To 15	11004	0.08	0.00	11004	0.08	0.00
33	Shri Arvind N Mafatlal Public Charitable Trust No 1 To 8	6288	0.04	0.00	6288	0.04	0.00
34	Shri Hrshikesh Arvind Mafatlal Public Charitable Trust No 1 To 6	4716	0.03	0.00	4716	0.03	0.00
35	Shri Padmanabh Arvind Mafatlal Public Charitable Trust No 1 To 6	4716	0.03	0.00	4716	0.03	0.00
36	Shri Pransukhlal Charity Trust No 1 to 6	4716	0.03	0.00	4716	0.03	0.00
37	Mrs Rekha Hrshikesh Mafatlal Public Charitable Trust No 1 to 5	3120	0.02	0.00	3120	0.02	0.00
38	Mrs Sushila Arvind Mafatlal Public Charitable Trust No 1 to 5	3120	0.02	0.00	3120	0.02	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (01-04-2015)			Shareholding at the end of the Year (31-03-2016)		
		No. of Shares	% of Total Shares of the Company	% of Total Shares Pledged/encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Total Shares Pledged/encumbered to Total Shares
39	Mrs Miloni Padmanabh Mafatlal Public Charitable Trust No 1 To 5	2692	0.02	0.00	2692	0.02	0.00
40	Vishad P Mafatlal Public Charitable Trust No.1 to 4	2496	0.02	0.00	2496	0.02	0.00
41	Shri Padmakesh Public Charity Trust No 1 to 4	2168	0.02	0.00	2168	0.02	0.00
42	Shri Rishipad Public Charity Trust No.1 to 4	2168	0.02	0.00	2168	0.02	0.00
43	Mrs Vijayalaxmi Navinchandra Mafatlal Public Charity Trust No 16, 19 & 20	1179	0.01	0.00	1179	0.01	0.00
		10419955	74.89	0.00	10414785	74.86	0.00

* This Accounts where Declassified from 'Promoters Group' during the year.

(iii) **Change in Promoters' Shareholding (please specify, if there is no change):**

There is no change in shareholding.

(iv) **Shareholding Pattern of top ten Shareholders(other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No	Shareholder's Name For each of the Top Ten Shareholders	Shareholding at the beginning of the year (1.04.2015)		Shareholding at the end of the year (31.03.2016)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Bharat Jayantilal Patel	583532	4.19	608907	4.38
2	State Bank of India	168428	1.21	168428	1.21
3	Life Insurance Corporation of India	142815	1.03	142815	1.03
4	Jyoti S. Nanavati	36676	0.26	36676	0.26
5	Punjab National Bank	39078	0.28	39078	0.28
6	Minal B. Patel	295000	2.12	295000	2.12
7	Bharat Jamnadas Dattani	34665	0.25	-	0.00
8	BJD Securities Private Ltd.	34341	0.25	34341	0.25
9	Praulchandra Bapalal Vaidya	31994	0.23	31744	0.23
10	Rina S. Kamdar	31000	0.22	31000	0.22
11	Minal B. Patel	-	-	40000	0.29
12	Bharat Jamnadas Dattani	34665	0.25	-	-

The share of the company are traded on a daily basis in dematerialised form and hence the date wise increase/ decrease in shareholding is not indicated.

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No	For Each of the Directors and KMP	No. of Shares held at the beginning of the year 1st April, 2015		No. of Shares held at the end of year on 31st March 2016	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Hrishikesh A. Mafatlal	826803	5.94	826803	5.94
2	Shri Praful R. Amin	211	0.00	211	0.00
3	Shri A. K. Srivastava	-	-	-	-
4	Shri Vilas R. Gupte	2	0.00	2	0.00
5	Shri Pradip N. Kapadia	138	0.00	138	0.00

Sr. No	For Each of the Directors and KMP	No. of Shares held at the beginning of the year 1st April, 2015		No. of Shares held at the end of year on 31st March 2016	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6	Shri Vishad P. Mafatlal	1212316	8.71	1212316	8.71
7	Shri Aniruddha P. Deshmukh (w.e.f.13.08.2015)	-	-	-	-
8	Shri Milan P. Shah (w.e.f.17.09.2015)	-	-	-	-
9	Smt. Latika P. Pradhan	-	-	-	-
10	Shri Sujal A. Shah	-	-	-	-
11	Shri Gautam G. Chakravarti	-	-	-	-
12	Shri Ashish A. Karanji	-	-	-	-
13	Shri Rajiv Y. Dayal (ceased w.e.f.12.08.2015)	-	-	-	-
14	Shri Niranjana K. Parikh (ceased w.e.f. 30.08.2015)	-	-	-	-
15	Shri Manoj D. Pandya (ceased w.e.f. 16.09.2015)	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as on 31st March, 2016

(₹ in lacs)

Indebtedness as on 31.03.2016	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	14,779.10	-	-	14,779.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	54.31	-	-	54.31
Total (i + ii + iii)	14,833.41	-	-	14,833.41
Change in Indebtedness during the financial year				
• Addition	9,731.66	-	-	9,731.66
• Reduction	2,048.22	-	-	2,048.22
Net Change	7,683.44	-	-	7,683.44
Indebtedness at the end of the financial year				
i) Principal Amount	22,425.23	-	-	22,425.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	91.62	-	-	91.62
Total (i + ii + iii)	22,516.85	-	-	22,516.85

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager for the year 2015-16

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Shri V. P. Mafatlal, WTD	Shri A. P. Deshmukh, MD & CEO	Shri Rajiv Dayal, MD & CEO	
1	Gross salary	109.56	106.75	41.90	258.21
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.39	0.23	2.95	3.57
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify				
	(a) Company's contribution to the Provident Fund	7.20	6.85	2.63	16.68
	(b) Company's contribution to the Superannuation Fund	9.00	8.56	3.29	20.85
	(c) PL encashment	-	-	50.00	50.00
	(d) Gratuity (at the end of tenure)	-	-	80.00	80.00
	Total (A)	126.15	122.39	180.77	429.31
	Ceiling as per Sec.197 of the Companies Act, 2013	98.63	62.42	36.21	197.26

During the year Shri Aniruddha P. Deshmukh and Shri Rajiv Dayal both were holding position of MD & CEO for the part of the year. Accordingly the ceiling is determined pro rata based on number of days they hold the position.

B Remuneration to other Directors for the year 2015-16:

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Names of Directors							Total Amount
		Shri V. R. Gupte	Shri P.R. Amin	Shri P.N. Kapadia	Smt. Latika Pradhan (w.e.f. 17. 04.2015)	Shri N K Parikh (upto 31.08.2015)	Shri Sujal Shah (w.e.f. 31.05.2015)	Shri Gautam Chakravarti (w.e.f. 31.05.2015)	
1	Independent Directors								
	• Fee for attending board committee meetings	4.00	4.00	3.60	2.60	1.20	2.40	2.20	
	• Commission								
	• Others, please specify								
	Total (1)	4.00	4.00	3.60	2.60	1.20	2.40	2.20	20.00
2	Other Non-Executive Directors	Shri H. A. Mafatlal	Shri A.K. Srivastava						
	• Fee for attending board committee meetings	2.00	2.00						
	• Commission								
	• Others, please specify								
	Total (2)	2.00	2.00						4.00
	Total (B)=(1+2)								24.00
	Overall Ceiling as per the Act								NA
	Total Managerial Remuneration(A)+(B)								453.31

There is no commission paid to any directors in respect of financial year 2015-16.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Milan Shah (Chief Financial Officer w.e.f. 17.09.2016)	Shri M.D.Pandya (Chief Financial Officer upto 16.09.2016)	Shri A.A. Karanji (Company Secretary)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	75.39	26.34	15.74	117.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.15	-	0.15
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	-others, specify...	-	-	-	-
5.	Others, please Specify	-	-	-	-
	(a) Company's contribution to the Provident Fund	3.88	1.80	1.06	6.74
	(b) Company's contribution to the Superannuation Fund	5.06	2.25	1.49	8.80
	(c) PL encashment	-	2.26	-	2.26
	(d) Gratuity (at the end of tenure)	-	-	-	-
	Total	84.33	32.80	18.29	135.42

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD I NCLT / COURT]	Appeal made, if any (give Details)
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A. COMPANY

Penalty	Clause 49 of the Listing Agreement	Delay of 16 days in appointment of Women Director	₹ 50,000/- paid	Bombay Stock Exchange	Application seeking waiver of penalty made but BSE has not acceded to the request. Hence the Company has paid the penalty in compliance of their advice.
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

B. DIRECTORS

Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

C. OTHER OFFICERS IN DEFAULT

Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

(B) Number of Meetings of the Board:

During the year 2015-16 i.e. from 1.04.2015 to 31.03.2016, Nine Meetings of the Board of Directors the Company were held.

(C) Changes in Share Capital:

During the year 2015-16 there is no change in the Share Capital of the Company.

(D) Declaration given by Independent Directors:

Pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV, all the Independent Directors of the Company viz. Shri P. R. Amin, Shri V. R. Gupte, Shri P. N. Kapadia, Shri Sujal A. Shah, Smt. Latika P. Pradhan and Shri. Gautam G. Chakravarti, submitted their declaration of independence and the same has been taken on record by the Board of Directors of the Company at their meeting held on May 2, 2016.

(E) Company's Policy on Directors Appointments and Remuneration:

In compliance with the provisions of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee of the Board of Directors have formulated the criteria for determining qualifications, positive attributes and independence of a director and also recommended to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees, which have been approved and adopted by the Board. The same is reproduced herein below:

A. Criteria for appointing a Director:

- a. He should be a person of integrity, with high ethical standards.
- b. He should be able to commit to his responsibilities and devote sufficient time and attention to his professional obligation as a Director.
- c. He should be having positive thinking, courtesy, humility.
- d. He should be knowledgeable and diligent in updating his knowledge.
- e. He should have qualifications, skills, experience and expertise by which the Company can benefit.
- f. In respect of independent director, in addition to the above (a) to (e), he should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013.
- g. In respect of Executive/Whole time Director/Managing Director, in addition to above (a) to (f), he should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented approach, ability to enhance reputation of the organization.

B. Criteria for appointing a Senior Management Employee/ Key Managerial Personal:

- a. He should have the required educational, qualification, skills and functional knowledge for the post and eye for detailing & compliance
- b. He should have integrity, humility, positive thinking, leadership qualities, sincerity, alert, hardworking, team building ability, good soft skills, transparency in dealings with the Company and other stakeholders.
- c. Screening of the potential conflicts of interest and independence.
- d. Detailed background information in relation to a potential candidate should be provided to all directors.
- e. The identification of potential candidates may be assisted by the use of external search organizations as may be considered appropriate.

C. Policy on Remuneration:

The remuneration policy of the Company is performance driven and is structured to motivate Directors, Key Managerial Personnel, Senior Management and other employees, recognizing their talent, merits, achievements and promote excellence in their performance.

1. For Executive/Whole time Directors including Managing Director and Key Managerial Personnel and Senior Management and other employees:

The Board of Directors and Nomination & Remuneration Committee (subject to applicable authorization from shareholders) is authorized to decide /recommend the remuneration and other terms of appointment of such Directors and Senior Management employees (one level below executive directors) and Key Management Personnel and other employees of the Company. The remuneration structure shall *inter alia*, include salary, perquisites, retirement and/ superannuation benefits performance linked incentives, commission, bonus and other entitlements as applicable from time to time as per law and/or as per HR Policy decided by the management of the Company. Based on the performance appraisals, the changes in the remuneration shall be decided/recommended by the management/executive directors.

The remuneration on appointment and on appraisal based on the performance of other employees (other than senior management & Key Managerial Personnel) shall be decided by the functional head or business head from time to time considering the HR policy of the Company. The remuneration components shall include basic salary, allowances, perquisites, retiral benefits, incentives, and bonus, variable incentive pay as may be decided by the Management from time to time.

The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate employees at all levels, having regard to the industry practice.

2. Other Terms applicable to Executive Directors and Senior & Key Management employees

- i. The Remuneration and terms of employments shall be fixed/ recommended in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- ii. The remuneration shall involve a good balance between fixed and incentive pay (considering industry benchmark/ practice) reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- iii. No director or executive should be directly involved in determining their own remuneration or performance evaluation.
- iv. The Executive Director, Whole time Director/ Managing Director and/or Senior Management Employee shall be eligible for advances/loans as per prevalent HR Policy of the Company subject to the applicable statutory provisions and approvals.

3. Non-Executive Directors:

The remuneration for Non-Executive Directors (including independent directors) shall be fixed after considering following factors:

- i. Sitting fees shall be within the limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meeting of the Board and Committee thereof.
- ii. Commission up to 1% of net profit as may be decided by the Board subject to required approvals of shareholders
- iii. The level and composition of remuneration should be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

(F) Comments on the Auditors Report:

The Audit Report on the financial statements for the year ended on 31st March, 2016 and observations/comments/ remarks etc. made by statutory auditors of the Company read with the Notes to Financial Statements, are self-explanatory and hence does not require any further comments/clarification by the Board of Directors of the Company.

(G) Particulars of Loans, Guarantees or Investments under Section 186:

The Company has invested in 9000 equity shares of ₹ 100/- each of The Janata Sahakari Bank Ltd., Pune, at face value, as a condition precedent to avail the loans from these Banks.

The Company has granted loans - financial assistance for shops' furnishing and repairs to three of its cloth dealers (Mafatlal Family Shops) viz. Vysakh, Kerala – ₹ 15 lacs- interest @ 8.5% repayable in five years, repayable by half yearly instalments, Kalra Collections, Agra – ₹ 20 lacs, interest @ 8.5%, repayable in five years by half yearly instalments and Everest, Pondichary – ₹ 15 lacs - interest @ 8.5% repayable in five years, repayable by half yearly instalments. The Company has not provided any guarantee or security for any loan during the year under 2015-16.

(H) Material changes affecting financial position:

No changes and commitments affecting the financial position of the Company have occurred during the year under review as well as the period between the end of the financial year till the date of this report.

(I) Development and implementation of Risk Management Policy:

The Board of Directors of the Company has framed Risk Management Policy as also the Foreign Currency Risk Management Policy and has also constituted Risk Management Committee consisting of Directors and senior management of the Company to implement

the Risk Management Policy. The Board has not identified any element of Risk which may threaten the existence of the Company or its business at large.

(J) Details about the Policy developed and implemented by the Company on CSR and initiative taken:

The Board of Directors of the Company has framed CSR Policy for the Company as per the recommendation of CSR Committee of the Board. The Company has fulfilled its CSR obligation for the financial year 2015-16 in conformity with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder. Further, prescribed details are mentioned under other para of this annexure.

(K) Composition of Audit Committee:

The Board has constituted the Audit Committee which comprises of Shri P. R. Amin as the Chairman and Shri V. R. Gupte, Shri Sujal Shah and Smt. Latika Pradhan as the Members. All the recommendation made by the Audit Committee on various matters have been accepted by the Board. Further details on the Audit committee is provided in the corporate governance report which is annexed to this Directors Report.

(L) Vigil Mechanism:

The Board has framed a Whistle Blower Policy/ Vigil Mechanism which is in line with the provisions of Section 178 of the Companies Act, 2013 read with the provisions of SEBI (LODR) Regulations, 2015. Further details in respect of the vigil mechanism is provided in the corporate governance report which is annexed to this Directors Report.

(M) Other Disclosures:

1. Statement containing the salient feature of the financial statement of Company's subsidiaries, associate company /joint venture company in the prescribed format i.e. AOC- I :

The relevant information is provided in Note No.33.2 in the Notes to the Consolidated Financial Statements.

2. Particulars of Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013:

All the related party transactions are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI(LODR) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large. The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website. Further details on related party transactions are disclosed in the Notes to Financial Statements.

Shri Priyavrata H. Mafatlal, a relative of Shri Hrishikesh A. Mafatlal, Chairman of the Company is holding office or place of profit as General Manager- Marketing & Sales of the Company in the salary scale of ₹ 50,000- 15,000-1,25,000 with other allowances, benefits and perquisites etc., as applicable to other employees in the Management Cadre Grade-I, of the Company with effect from 1st January, 2011 and from 6th April, 2011 for which the approval of the Shareholders of the Company has been obtained by passing a Special Resolution under Section 314(1)(b) of the Companies Act, 1956, at the 97th Annual General Meeting of the Company held on 23rd September, 2011. His overall remuneration do not exceed the limit of ₹ 2.5 lacs per month.

3. Report on Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Out go :

(I) CONSERVATION OF ENERGY:

(A) ENERGY CONSERVATION MEASURES TAKEN:

- Installed new Energy efficient ELGI make Screw air compressor
- Replaced old Water Chiller with New Energy Efficient Water Chillers
- Installed 160KW VFD (Inverter) to control speed of FD fan instead of controlling Damper
- Replaced old pumps with new Energy efficient Centrifugal pumps
- Installation of VFD on Atlas Copco Compressor at New Unit, Nadiad
- Recovery of Steam Condensate water and reuse for Menzel Print washer for washing
- Installed LED Lights in Streeel Lighting

- Reduced number of Tube lights by lower heights of Tube lights in Speed Frame Section
- Replaced Copper Ballast Light fixtures with energy efficient LED lights in various sections.
- Water consumption reduced by optimizing water flow for process machines
- Re-use of water in process machines to reduce overall water consumption
- Reduced Steam consumption by using side insulation on dry cans.
- Use of Heat resistance Paint to minimize radiation losses in process Machines.
- Optimization of Compressed Air system and reduced one 700cfm screw Compressor from operation. Total Units saved 1K / Day.
- Disconnected old and inefficient Transformers. Transmission losses saved by approximately 3%.
- Installation of LED Lights in all new machine area and finalized for using LED lights only in plant. This result to saving of 30% units.
- Modification of H-Plant has been carried out to run plant in auto mode to reduce power consumption.
- Auto Waste Collection System in Spinning Preparatory, Revamping of Monfort CPB, Shifting of 12 TPH Boiler to maintain single Coal handling and crushing specific energy consumption, area which reduces transportation and storage losses of coal.
- Installation of New Kuster Singing Machine with provision of variable flame intensity as per product requirement to reduce gas consumption,
- Shifting of Warping Machines to reduce fuel consumption for transportation, Increased aeration path in Dyeing Machines and stopped oxidation system to reduce power consumption.

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

- i) Installation of new machines for better Process performance and low specific energy consumption.
- 12 Colour Rotary Zimmer Printing Machine, Menzel Print Washer Range, Texfab Loop Ager, Gayatri Calender Machine, Zimmer Screen Coating Machine, Devrekha Soft flow Machine, LMW Ring frame Machines, LMW Speed frame Machines, LMW Carding Machines, LMW Comber Machines, Savio Auto corner, Vijay Laxmi TFO, P.F. Mettler winding Machine,

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

- Steam consumption of Processing has been reduced to 25.39 kg as compared to previous year 28.48 kg of finished fabric
- Total Power consumption has been reduced to 1.26 Units/Mtr as compared to Previous year of 1.6 units / Mr. of Finished fabric.
- Solid fuel cost has been reduced to 4.87 ₹/Mtr as compared to previous year of 5.03 ₹/Mtr of Finished fabric.
- Water consumption reduced from 52 Liters /Mtrs. To 33 Liter/Mtr.
- Steam KG / Mtrs. Reduced by 22% due to various Energy saving activities and enhanced utilization of machines.
- Power consumption Unit / Mtr. reduced by more than 5% due to various Energy saving activities and enhanced utilization of machines.

(D) TOTAL ENERGY CONSUMPTION AND ENRGY CONSUMPTION PER UNIT OF PRODUCTION:

The above information is to be furnished in the prescribed Form "A" annexed hereto:

FORM-A			Current Year 2015-16	Previous Year 2014-15
A.	POWER AND FUEL CONSUMPTION			
	1	Electricity		
	a)	Purchased: Units Lacs KWH	681.50	597.30
		Total Cost (Lacs ₹)	5461.82	4564.95
		Rate / KWH	8.01	7.64
	b)	Own Generation:		
	i)	Through Diesel Generator:		
		Units Lacs KWH	0.02	0.06
		Unit per litre of diesel oil (KWH)	1.48	1.54
		Cost/Unit (Only Diesel) (₹)	34.12	38.95
	ii)	Through Gas Generator		
		Units Lacs KWH	7.57	4.03
		Cost/Unit (Only Natural Gas)(₹)	12.87	13.77
	iii)	Through Steam Turbine/Generator		
		Units Lacs KWH	220.56	198.56
		Cost/Unit (Only Coal /Lignite/Baggas (₹)	3.26	4.63
	2	Coal / Lignite : (Specify quality and where used)		
		Steam Coal and Lignite used for Steam Genration in		
		Boilers for Departmental use.		
		Quantity (Tonnes)	72078	48105
		Total Cost (₹ Lacs)	2809.92	2030.93
		Average Rate / Tonne (₹)	3898.43	4221.83
	3	Furnace Oil:		
		Quantity (K Ltrs.)	0.000	0.000
		Total Amount (₹ in lacs.)	0.00	0.00
		Average Rate (₹/Ltr.)		
	4	Others/Internal Generation:		
B.	Consumption Per Unit of Production:			
	1	Electricity :		
		Purchased and Genration		
		KWH/Metre of Grey Production*	1.81	2.07
		KWH/Metre of Wet Production	0.26	0.30
		Chemicals	NIL	NIL
	2	Furnace Oil:	NIL	NIL
		Litre/KWH of Grey Production		
		KWH/Metre of Wet Production		
	3	Coal / Lignite : (Specify quality - Steam Coal)		
		Kgs. of Coal/Lignite/Metre of Grey Production	0.18	0.19
		Kgs. of Coal/Lignite/Metre of Wet Production(Finished Production)	0.93	1.18
	4	Others	N.A.	N.A.

II TECHNOLOGY ABSORPTION:

Efforts made in technology absorption are to be furnished in the prescribed Form- B Annexed hereto :

FORM B**A) RESEARCH AND DEVELOPMENT****1. Specific areas in which R. & D. carried out by the Company:**

- Installed Elli attachments on 3 Ring Frames and started producing 2/30 Elli Twist yarn
- New Certificates for GRS, RCS for recycle products
- Use of BCI cotton for betterment of environment friendly products
- Renewal of OEKO TEK 100, GOTS, OCS, BCI Certificates
- One Methrom Instrument installed
- UT-6 Quality equipment installed

2. Benefit derived as a result of the above R. & D:

- Producing around 60 Tons per Month to utilize spinning fully
- Social Compliance to increase Business with branded customers
- Improved customer services and customer satisfaction
- Shade Consistency
- To Monitor and improve the Yarn quality

3. Future plan of action

- Increase efforts to fulfill further more Environmental and Social Compliances.
- One Methrom Instrument also will be installed.

EXPENDITURE ON R & D :

(₹ in lacs)

Details		Current Year 2015-16	Previous Year 2014-15
(a)	Capital Expenditure :	Nil	Nil
(b)	Recurring Expenditure :	77.56	75.39
(c)	Total	77.56	75.39
(d)	Total R. & D. Expenditure (as a % of Total Turnover)	0.06%	0.07%

B) TECHNOLOGY ABSORPTION AND INNOVATION:**1. Efforts in brief made towards technology absorption, adaptation and innovation:**

- Embosing and Peaching to get Caru Peaching effect.
- Peaching Machine Installed.

2. Benefits derived as a result of the above efforts:

- Better Market price.

3. Information regarding technology imported during last 5 years:

- | | | | |
|-----|--|---|---|
| (a) | Technology Imported | : | Lafer Machine |
| (b) | Year of Import | : | 2015 |
| (c) | Has technology been fully absorbed | : | 50% |
| (d) | If not fully absorbed, not taken place, reasons therefore and future plans of action | : | Seasonal product and. based on market demand. |

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 enter into new markets of the Middle East, Europe, Africa and the US. The Company has been successful to some extent in increasing the export of processed fabrics to those countries.

(B) Total Foreign Exchange used and earned:

	(₹ in lacs)	
	Current Year 2015-16	Previous Year 2014-15
Total Foreign Exchange used	3568.24	3723.08
Total Foreign Exchange earned	13155.67	12538.24

(4) STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

In compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the performance evaluation was carried out as under Board:

Board:

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Board was of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

Committees of the Board:

The performance of Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was evaluated by the Board of Directors of the Company having regard to various criteria such as committee composition, committee processes, committee dynamics, presence of members, no. of meetings held etc. The Board was of the unanimous view that all the Committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Companies Act, 2013, the Rules framed thereunder and SEBI (LODR) Regulations, 2015

Individual Directors:

- Independent Directors:** In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on broad parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all independent directors in guiding the management to achieving growth and continuance of each independent director on the Board will be in the interest of the Company.
- Non-Independent Directors:** The performance of each of the non-independent directors was evaluated by the Independent Directors at their separate meeting held on 31st March, 2016 wherein all the Independent Directors were present. Further, the performance of all Non Independent Directors was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Board was of the unanimous view that each of the non-independent directors was providing good business and people leadership.

5. DISCLOSURE UNDER SECTION 197(12) AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above Rules are provided herein under:

Note: The Company has considered the management cadre employees remuneration while calculating the median concept and accordingly provided the details.

i. Ratio of remuneration of each Director to the median remuneration of the employees of the company for the financial year 2015-16

Sr. No.	Director	Remuneration (₹ in Lacs)	Ratio
1	Shri H A Mafatlal, Chairman	2.00	
2	Shri V P Mafatlal, Whole Time Director	126.15	50:1
3	Shri Aniruddha Deshmukh, Managing Director & CEO (w.e.f. 13.08.2015)	122.39	48.4:1
4	Shri A K Srivastava	2.00	
5	Shri P R Amin	4.00	
6	Shri V R Gupte	4.00	
7	Shri P N Kapadia	3.60	
8	Smt. Latika Pradhan	2.60	
9	Shri Gautam Chakravarti	2.20	
10	Shri Sujal Shah	2.40	
11	Shri Rajiv Dayal, Managing Director & CEO (ceased w.e.f. 12.08.2015)	180.77	71:1
12	Shri N K Parikh (ceased w.e.f. 30.08.2015)	1.20	

The ratio is considered only for Executive Directors (ED) comparing the median remuneration of management employees of ₹ 2.52 lacs with the remuneration of EDs. The Non-Executive Directors were only paid fees for attending Board & Committee meetings for the year 2015-16.

ii. Percentage increase in remuneration of each Director, CFO, CEO, Company Secretary in the financial year 2014-15:

There is no increase in remuneration given to Executive Directors (WTD and MD & CEO) for the year 2015-16 there is no increase in remuneration of other non-executive non-independent as well as independent directors. Shri Milan Shah was appointed as Chief Financial Officer of the Company w.e.f. 17th September, 2015 while Shri Ashish Karanji, Company Secretary has been given 9% increase in remuneration.

iii. Percentage increase in median remuneration of employees in the financial year: 8%

iv. The number of permanent employees on the rolls of the company: 3604

v. The explanation on the relationship between average increase in remuneration and company performance:

(₹ in lacs)

Particulars	2015-16	2014-15
Revenues from Operations/Turnover	132308.74	101351.54
Total Revenues	134465.93	104469.00
EBITDA	6119.18	5018.17
EBITDA as % of Turnover	4.62%	4.95%
PBT	1883.88	2561.61
PBT as % of Turnover	1.42%	2.52%

The total revenues of the Company for the year 2015-16 increased by 28.71% compared to the previous year. The Average increase in remuneration of the employees has been increased during this period by 8 % compared to previous year. Considering the performance of the Company, reasonable increase in remuneration have been granted.

- vi. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company for the year 2015-16:**

(₹ in lacs)

Remuneration paid to Key Managerial Personnel (to WTD, MD & CEO, CFO & CS)	Total Turnover	Other Income	Total Revenue	Net Profit (after tax) of the Company
588.74	132308.74	2157.19	134465.93	1712.38

- vii. **Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year**

	As on 31st March, 2016	As on 31st March, 2015
Face Value of Equity Shares of the Company (in ₹)	10/-	10/-
Market price of equity shares of the Company (in ₹) *	270.30	154/-
Market Capitalization (₹ In lacs) *	37606.53	21425.84
EPS in ₹	12.31	17.52
Price Earnings Ratio	21.94	8.79

- viii. **Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:**

The Company has been in existence over 100 years. The equity shares of the Company were listed more than 30-40 years back. Hence, such old (the stock exchange) data is not available for comparison of share pricing at public offer.

- ix. **Average percentile 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 8 %. There is no exceptional increase in the managerial remuneration.

- x. **Comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company:** Please refer to the details in para vi above.

- xi. **The key parameters for any variable component of remuneration availed by the directors:**

None. Except that Whole-time Directors are entitle for a commission of 1% on the net profit of the Company calculated in the manner prescribed under the Companies Act, 2013 which has not been paid since the managerial remuneration exceeded the limits under Section 197 of the said Act.

- xii. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and Affirmation that the remuneration is as per the remuneration policy of the Company:**

None. Further it is confirmed that the remuneration paid is as per the Policy on Remuneration of the Company.

- xiii. **Details of the of employees employed for full year or part of the year having remuneration of ₹ 60 lacs p.a. where employed for the full year:**

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

The details are provided in the following prescribed format. Name, Designation, remuneration received, nature of employment (contractual or otherwise), qualification, experience (in years), date of commencement of employment, age of employees (in years), last employment held before joining this company, no. of shares, % of equity shares held by the employee, whether such employee is a relative of any of the Director (answer in yes or no and if yes, name of Director)

- (a) Jhawar Srigopal, President & Business Head (Denim), 12378541, contractual, MBA, 20 years, 21.01.2015, 52 years, Bhaskar Denim Ltd., Nil, Nil%, No (b) Mafatlal Vishad, Executive Vice- Chairman, 12615604, contractual, Bachelor of Science in Economics from the Wharton School, USA, 21 years in different industries, 28.05.2013 (due to amalgamation), 41 years, Mafatlal Denim Limited, 12,12,316 equity shares of ₹ 10/- each, 8.71%, yes, he is nephew of Shri H. A. Mafatlal, Chairman of the Company. (c) Maheshwari, V. K., President & Business Head (Textiles), 11337310, Bachelor of Textiles (Hons), 30 years, 01.06.2014, 52 years, Morarjee Textiles Ltd., Nil, Nil%, No. (d) Pandya Manoj D., Sr.Vice President (Fin. & A/cs.), 6646416, contractual, BCOM, ACA, ICWA, BGL, 25 years of experience, 11.10.1995, 50 years, Crosland Research Laboratory Ltd., Nil, Nil%, No, (e) Raghunath, M. B., President & Business Head (MSD), 13100633, contractual, Degree in Physics, MBA- Mktg from NMMIS-Mumbai, 30 years of experience, 01.04.1995, 51 years, Berger Paints, Nil, Nil %, No.

- xiv. **Details of the employees employed for the part of the year and having salary of not less than ₹ 5 lacs per month. The details are provided in the following prescribed format. Name, Designation, remuneration received, nature of employment (contractual or otherwise), qualification, experience (in years), date of commencement of employment, age of employees (in years), last employment held before joining this company, % of equity shares held by the employee, whether such employee is a relative of any of the Director (answer in yes or no and if yes, names of Directors)**

(a) Dayal Rajiv, MD & CEO (upto 12.08.2015) 18077093, contractual, Chem. Engineer from IIT Delhi, 41 years of diverse experience, 28.05.2013 (due to amalgamation), 61 years, Mafatlal Denim Ltd., Nil Nil%, No. (b) Deshmukh Aniruddha, MD & CEO (w.e.f. 13.08.2015) 12239112, contractual, Mechanical Engineer from VNIT, Nagpur, Post-Graduation in Business Administration from IIM, Calcutta, 32 years of diverse experience, 13.08.2015, 58 years, Raymonds Ltd., Nil, Nil%, No. (c) Shah Milan, CFO (w.e.f. 17.09.2015) 8433417, contractual, B.Com., F.C.A., C.S. 31 years of experience, 57 years, Arvind Ltd., Nil, Nil% No.

- xv. **Details of the employees employed for the full year or part of the year was receipt of remuneration in that year which in the aggregate or as the case may be at a rate which in the aggregate, is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:**

None

6. CSR REPORT 2015-16 :

A. Brief outline of CSR Policy :

The Company has 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 http://www.mafatlals.com/uploads/8/3/1/2/8312181/corporate_social_responsibility_policy.pdf

B. Composition of CSR Committee:

The CSR Committee of the Board of Directors consists of three Directors viz. Shri H. A. Mafatlal (Chairman) and other members are Shri V. P Mafatlal and Shri V. R. Gupte (Independent Director) and the composition of the Committee conforms to the statutory requirement.

C. Calculation of CSR Obligation based on the Average Net Profit of the Company for last three financial years in accordance with the provisions of Section 198 of the Companies Act, 2013:

Year	Net Profit Under Sec.198 of the Companies Act, 2013 (Amt. ₹ in Lacs)
2014-15	328.52
2013-14	1530.61
2012-13	3201.02
A. Total Net Profit for three years (A)	5060.15
B. Average Net Profit (A/3)	1686.72
C. 2% of average Net Profits [required to be spent on CSR of (B)]	33.73

- i Amount spent on CSR during 2015-16 - 35.83 Lacs
- ii Amount unspent -
- iii. Manner in which the amount spent during the financial year 2015-16 :

The CSR activities on which the Company has spent are within the purview of Schedule VII to the Companies Act, 2013

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Sanitation Project- Construction of Toilets for underprivileged in rural area near Nadiad, Gujarat	Sanitation	Three villages nearby Nadiad.	₹ 10.17 Lacs	₹ 2.83 Lacs (remaining to be spent during next year)	₹ 2.83Lacs	₹ 2.83 Lacs (project executed by company)
2.	Medical services/ activities/camps for underprivileged	Health care (incl. preventive health care)	Anandpur, Tehsil Lateri, Dist. Vidisha (M.P.) Activities carried by the Trust Hospital	₹ 16.5 Lacs	₹ 16.5 Lacs	₹ 16.5 Lacs	spent through Shri Sadguru Seva Sangh Trust
3.	Rural Health Initiative	Health Care	Eye care at Thane & Palghar District, Maharashtra		₹ 9.07 lacs	₹ 9.07 lacs	Spent through Chaitanya Seva Trust
4.	Primary Health care to the needy/ underprivileged	Health Care	Hamrahpur, Palghar Dist.in Maharashtra		₹ 2.40 lacs	₹ 2.40 lacs	Spent through Chaitanya Seva Trust
5.	Rural empowerment activities incl. women empowerment, water conservation, organic farming	Environment Sustainability	Galtare Wada Taluka, Palghar Dist. Maharashtra		₹ 5.03 lacs	₹ 5.03 lacs	Spent through Chaitanya Seva Trust
TOTAL						₹ 35.83 Lacs	

- iv. The Company has fulfilled its CSR obligation for the year 2015-16.
- v. Responsibility Statement of CSR Committee:

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

H. A. Mafatlal
Chairman of CSR Committee

Aniruddha Deshmukh
Managing Director & CEO

Annexure IV to Directors' Report

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

[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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **MAFATLAL INDUSTRIES LIMITED** 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. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MAFATLAL INDUSTRIES LIMITED** ("the Company") for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 effective from December 1, 2015 read with applicable clauses of Listing Agreements with Stock Exchanges (during April 1, 2015 to 30th November, 2015)
- (iii) all the laws mentioned in Annexure I to this report

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i) The Company has complied with the second proviso to Section 149(1) read with Rule 3 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 pertaining to the appointment of Woman Director which was made on 17th April, 2015. Due to delay in making appointment of women director, The Bombay Stock Exchange imposed penalty of ₹ 50,000/- which has been paid by the Company during the year.
- ii) It is observed that the Company has made excess payment of Managerial remuneration under the provisions of Section 197 of the Companies Act, 2013. However, pursuant to the provisions of Schedule V to the Companies Act, 2013 read with the General Circular No. 07/2015 dated 10th April, 2015 issued by Ministry of Corporate Affairs, no approval of Central Government is required for the remuneration paid to Shri V. P. Mafatlal and Shri Rajiv Dayal after getting approval of the shareholders which is proposed in ensuing Annual General Meeting. Besides, the excess remuneration paid to Shri Aniruddha Deshmukh as Managing Director & CEO of the Company w.e.f. 13th August, 2015 will require approval of the shareholders by way of Special Resolution and also approval from Central Government in terms of the statutory provisions. The Company is proposing proposed requisite resolutions for approval by the shareholders at the ensuing 102nd Annual General Meeting (AGM).

I further report that –

- The provisions of SEBI (ICDR) Regulations, 2009, SEBI (ESOP and ESPS) Guidelines, SEBI (Delisting of shares) Regulations and SEBI (Buyback of Securities) Regulations were not applicable to the Company.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the year, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its officers and Reports of the Statutory Auditor for system and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure I.

I 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. (As mentioned above and listed in Annexure I)

I further report that during the year 2015-16 the Company has by way of Postal Ballot through Special Resolution obtained approval of the Members for amendments to the Object Clause of the Memorandum of Association of the Company in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with the provisions of the Listing Agreement the then applicable and the said Special Resolution was passed with requisite majority.

I further report that during the audit period, there were no specific event/action having a major bearing on the Company's affairs.

Place : Ahmedabad

Manuprasad Patel

Date : 2nd May, 2016

FCS 2588 C P No.:6357

ANNEXURE I

Laws applicable to the Company being in Textile Industry:

- (1) Explosives Act, 1884
- (2) Electricity Act, 2003
- (3) Public Liability Insurance Act, 1991
- (4) Information Technology Act, 2000
- (5) Essential Commodities Act, 1955
- (6) Textile Committee Act, 1963
- (7) Textile (Development & Regulation) Order, 2001
- (8) Textile (Consumer Protection) Regulations, 1988

And also the following laws with its regulations:

- (i) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (ii) Employees State Insurance Act, 1948
- (iii) Employers Liability Act, 1938
- (iv) Environment Protection Act, 1986 and other environmental laws
- (v) Equal Remuneration Act, 1976
- (vi) Factories Act, 1948
- (vii) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003
- (viii) Indian Contract Act, 1872
- (ix) Income Tax Act, 1961 and Indirect Tax Laws
- (x) Central Excise and Sault Act
- (xi) Indian Stamp Act, 1899
- (xii) Industrial Dispute Act, 1947
- (xiii) Maternity Benefit Act, 1961
- (xiv) Minimum Wages Act, 1948
- (xv) Negotiable Instrument Act, 1881
- (xvi) Payment of Bonus Act, 1965
- (xvii) Payment of Gratuity Act, 1972
- (xviii) Payment of Wages Act, 1936 and other applicable Labour laws

Annexure To Corporate Governance Report

Declaration regarding affirmation of Code of Conduct

In terms of the requirements of the part D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management for the year ended 31st March, 2016.

Mumbai,
Dated: 2nd May, 2016

Aniruddha P. Deshmukh
Managing Director & CEO

Place: Mumbai
Dated: 2nd May, 2016

For and on behalf of the Board,
H. A. MAFATLAL
Chairman

Annexure II

Independent Auditor's Certificate

TO
THE MEMBERS OF
MAFATLAL INDUSTRIES LIMITED

- We have examined the compliance of conditions of Corporate Governance by MAFATLAL INDUSTRIES LIMITED ("the Company"), for the year ended on 31st March, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from April 01, 2015 to November 30, 2015.
 - Clause 49 (VII)(E) of the Listing Agreements of the Company with the stock exchanges for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
- The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
- In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
- We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117364W)

MUMBAI, 2nd May, 2016

Ketan Vora
Partner
(Membership No. 100459)



FINANCIAL

Independent Auditor's Report

To the Members of Mafatlal Industries Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Mafatlal Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated returns for the year ended on that date audited by the branch auditors of the Company's branches at Ahmedabad and Nadiad.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 30.12 (a) to the financial statements regarding managerial remuneration for which the Central Government's approval is required.

Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit the financial information of two branches included in the standalone financial statements of the Company, whose financial information reflect total assets of ₹ 15,973.05 lacs as at March 31, 2016 and total revenues of ₹ 22,588.98 lacs for the year ended on that date, as considered in the standalone financial statements. The financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
 - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by the branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
 - e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - f) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in accordance with generally accepted accounting practice - also refer note no. 30.1 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**

Chartered Accountants

(Firm's Registration Number 117364W)

(Ketan Vora)

(Partner)

(Membership Number 100459)

Place : Mumbai,

Date : 2nd May, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MAFATLAL INDUSTRIES LIMITED

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Mafatlal Industries Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 issued by the Institution of Chartered Accountants of India.

For Deloitte Haskins & Sells

Chartered Accountants

(Firm's Registration Number 117364W)

(Ketan Vora)

(Partner)

(Membership Number 100459)

Place : Mumbai,

Date : 2nd May, 2016

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF MAFATLAL INDUSTRIES LIMITED

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties of acquired land and buildings that are freehold and leasehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / lease deed / court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:

- (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (b) The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.
- (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) Company has generally been regular in depositing undisputed statutory dues, including Provident Fund,

Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became

payable. As at the year end, the arrears of Statutory Dues outstanding for a period of more than six months aggregate to ₹ 51.92 lacs in respect of interest on Provident Fund, ₹ 49.02 lacs in respect of interest on Employees State Insurance dues, ₹ 3.34 lacs in respect of Excise Duty and ₹ 610.75 lacs in respect of interest on water charges.

- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below.

Name of the Statute	Nature of the Dues	Forum Where Dispute is Pending	Period to which the amount relates	Amount (₹ in lacs)
Central Excise Act, 1944	Excise Duty	Assistant Commissioner	2006-07 to 2010-11	1.42
Central Excise Act, 1944	Excise Duty	Commissioner	1989-90 to 2003-04	2,224.25
Central Excise Act, 1944	Excise Duty	CESTAT	1989-90 to 2003-04	63.44
Central Excise Act, 1944	Excise Duty	High Court	1989-90 to 2003-04	14.99
Central Excise Act, 1944	Excise Duty	Supreme Court	1989-90 to 1999-2000	13.42
Central Excise Act, 1944	Excise Duty	Assistant Commissioner	1989-90 to 2003-04	251.80
Central Excise Act, 1944	Excise Duty	Commissioner (Appeals)	1989-90 to 2003-04	54.92
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise	2007-08 to 2009-10	2,960.55
Customs Act, 1944	Custom Duty	Joint Director General of Foreign Trade	1989-90 to 1999-2000	4.79
Bombay Industrial Relations Act, 1946	Labour Dues	Labour Court	1993 to 2013	1,376.32
Maharashtra Value Added Tax	Sales Tax	Joint Commissioner of Sales Tax (Appeals) - II	1999-2000	23.21
Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax (Appeals) - II	1999-2000	0.94
Mumbai Municipal Corporation Act, 1988	Property Tax [Refer Note No.30.1(a)(ix)]	Assessor and Collector (City), Assessment and Collection Department	2008-10	3,075.49
Income Tax Act, 1961	Income Tax	Dy. Commissioner of Income Tax	Assessment Year 2012-13	9.48
Income Tax Act, 1961	Income Tax	ITAT	Assessment Years 1986-87, 1987-88, 2003-04, 2004-05, 2006-07, 2007-08	502.95
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax	Assessment Years 1987-88, 1997-98, 2002-03, 2003-04, 2009-10, 2011-12 and 2012-13	2,057.86
Service Tax Rules	Service Tax	CESTAT, Ahmedabad	1997-99	0.70

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in excess of the limits and approvals prescribed under Section 197 read with Schedule V to the Companies Act, 2013 to the following managerial personnel:

Managerial Position	Excess amount of remuneration paid/ provided (₹ in lacs)	Financial year ending	Treatment of the excess remuneration in the respective year financial statements	Steps taken by the Company for securing refund
Managing Director (w.e.f. 13th August 2015)	36.82	March 31, 2016	Charged to the Statement of Profit and Loss	1. Special Resolution will be passed at the ensuing Annual General Meeting; and 2. Application will be made to the Central Government for approval of the excess remuneration.
Managing Director (upto 12th August 2015)	33.88	March 31, 2016	Charged to the Statement of Profit and Loss	Special Resolution will be passed at the ensuing Annual General Meeting.
Director	-	March 31, 2016	Charged to the Statement of Profit and Loss	Special Resolution will be passed at the ensuing Annual General Meeting.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration Number 117364W)

(Ketan Vora)
(Partner)
(Membership Number 100459)

Place : Mumbai,
Date : 2nd May, 2016

Balance Sheet as at 31st March, 2016

		(₹ in lacs)	
	Note No.	As at 31st March, 2016	As at 31st March, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,391.22	1,391.22
(b) Reserves and surplus	4	36,363.86	35,153.84
		37,755.08	36,545.06
2 Non-current liabilities			
(a) Long-term borrowings	5	6,588.56	6,280.04
(b) Deferred tax liabilities (net)	6	477.17	305.67
(c) Other long-term liabilities	7	358.91	276.93
(d) Long-term provisions	8	479.43	514.66
		7,904.07	7,377.30
3 Current liabilities			
(a) Short-term borrowings	9	14,223.49	7,212.25
(b) Trade payables:	10		
Total outstanding dues of micro enterprises and small enterprises		83.11	49.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,227.26	19,092.23
(c) Other current liabilities	11	4,570.67	4,295.87
(d) Short-term provisions	12	1,523.23	1,800.39
		47,627.76	32,449.89
Total		93,286.91	76,372.25
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13(a)	21,271.99	16,423.25
(ii) Intangible assets	13(b)	68.69	87.72
(iii) Capital work-in-progress		915.90	3,580.38
		22,256.58	20,091.35
(b) Non-current investments	14	4,794.09	4,788.97
(c) Long-term loans and advances	15	6,341.17	6,002.82
(d) Other non-current assets	16	678.30	642.61
		34,070.14	31,525.75
2 Current assets			
(a) Inventories	17	15,310.38	12,235.09
(b) Trade receivables	18	31,196.43	19,927.97
(c) Cash and bank balances	19	9,946.82	10,724.39
(d) Short-term loans and advances	20	2,311.76	1,542.50
(e) Other current assets	21	451.38	416.55
		59,216.77	44,846.50
Total		93,286.91	76,372.25
Significant accounting policies	2		
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

(KETAN VORA)
Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Statement of Profit & Loss for the year ended 31st March, 2016

(₹ in lacs)

	Note No.	Current year	Previous year
1 Revenue from operations	22	132,308.74	101,351.54
2 Other income	23	2,157.19	3,117.46
3 Total revenue (1 + 2)		134,465.93	104,469.00
4 Expenses			
(a) Cost of materials consumed	24(a)	29,985.25	22,361.48
(b) Purchases of stock-in-trade (Trading Activity)	24(b)	58,872.11	42,717.40
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24(c)	(2,413.05)	(313.97)
(d) Employee benefits expense (net)	25	12,159.64	9,737.28
(e) Finance costs (net)	26	2,116.12	1,684.05
(f) Depreciation and amortization expense	27	2,119.18	1,671.14
(g) Other expenses (net)	28	29,742.80	24,948.64
Total expenses		132,582.05	102,806.02
5 Profit before exceptional items and tax (3 - 4)		1,883.88	1,662.98
6 Exceptional items	29	-	898.63
		-	898.63
7 Profit before tax (5 + 6)		1,883.88	2,561.61
8 Tax (expense) / benefit :			
(a) Current tax		(360.00)	(531.00)
(b) MAT credit entitlement		360.00	515.00
(c) Net current tax (expense) (a + b)		-	(16.00)
(d) Deferred tax (charge)		(171.50)	(108.12)
Net tax (expense) (c + d)		(171.50)	(124.12)
9 Profit for the year (7 + 8)		1,712.38	2,437.49
10 Earnings per share (on face value of ₹ 10/- each) - (Refer Note no. 31.2)			
(a) Basic		12.31	17.52
(b) Diluted		12.31	17.52
Significant accounting policies	2		
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman**V. P. Mafatlal**
Vice Chairman**A. A. Karanji**
Company Secretary**Aniruddha Deshmukh**
Managing Director &
Chief Executive Officer**Milan Shah**
Chief Financial Officer**P. R. Amin**
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

(KETAN VORA)

Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Cash Flow Statement for the year ended 31st March, 2016

₹ in lacs

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. Cash flow from operating activities		
Net Profit after exceptional items and before tax as per the Statement of Profit and Loss	1,883.88	2,561.61
Adjustments for,		
Depreciation and amortization expense	2,119.18	1,671.14
Profit on sale of non-current investments - Investment property - Exceptional item	-	(898.63)
Profit on sale / disposal of fixed assets	(491.13)	(560.18)
Finance costs on borrowings	2,162.26	1,642.27
Finance costs on borrowings TUF income	(262.73)	(194.80)
Finance costs on other than borrowings	216.59	236.58
Interest income	(963.78)	(1,020.12)
Dividend income	(272.72)	(191.23)
Rental income on investment properties	(467.49)	(407.54)
Profit on sale of long-term investments other than investment properties	-	(1,077.41)
Loss on sale of fixed assets sold / scrapped / written off	50.07	33.42
Liabilities / Provisions no longer required	(43.81)	(57.26)
Bad trade and other receivables / loans and advances written off (net)	20.25	14.54
Provision for diminution in the value of long-term investment - includes ₹ Nil (Previous year includes ₹ 22.73 lacs for a joint-venture)	-	43.23
Provision for doubtful debts / advances	18.46	19.44
Net unrealised exchange loss / (gain)	5.64	10.21
Operating profit before working capital changes	3,974.67	1,825.27
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(3,075.29)	134.34
Trade receivables	(11,312.81)	(6,117.26)
Short-term loans and advances	(769.26)	143.71
Long-term loans and advances	(27.67)	(1,231.45)
Other current assets	(34.83)	14.89
Other non-current assets	(35.69)	(43.53)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Short-term provisions	(50.22)	8.60
Long-term provisions	(35.23)	(467.95)
Interest accrued and due on other than borrowings	(167.58)	(44.20)
Other current liabilities	(7.57)	215.85
Other long-term liabilities	81.98	14.65
Trade and other payables	8,212.80	6,481.27
	(7,221.37)	(891.08)
Cash (used in) / generated from operations	(3,246.70)	934.19
Net income tax (paid) / refunds	(366.12)	(245.60)
Net cash (used in) / generated from operating activities	(3,612.82)	688.59

Cash Flow Statement for the year ended 31st March, 2016

₹ in lacs

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
B. Cash flow from investing activities		
Purchase of fixed assets and capital work-in-progress (including capital advances)	(4,600.70)	(4,682.32)
Sale of fixed assets	498.70	531.67
Purchase of non-current investments	(9.00)	(25.08)
Sale of non-current investments - Investment properties	-	903.00
Dividend income from long-term investments	272.72	191.23
Rental income on investment properties	467.49	407.54
Interest income	963.78	1,024.99
Other bank balances not considered as cash and cash equivalents	306.41	(153.52)
Sale of non-current investments - Other than investment properties	77.00	1,127.40
Net cash (used in) investing activities	(2,023.60)	(675.09)
C. Cash flow from financing activities		
Finance costs	(2,064.09)	(1,651.17)
Proceeds from short-term borrowings	7,011.24	486.73
Proceeds / (Repayments) from long-term borrowings	706.44	2,027.90
Dividend paid	(417.39)	(417.39)
Tax on dividend	(70.94)	(70.94)
Net cash generated from financing activities	5,165.26	375.13
Net increase / (decrease) in cash and cash equivalents	(471.16)	388.63
Cash and cash equivalents at the beginning of the year	1,045.47	656.84
Cash and cash equivalents at the end of the year (Refer Note no. 19)	574.31	1,045.47
See accompanying notes forming part of the financial statements		

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal

Chairman

V. P. Mafatlal

Vice Chairman

Aniruddha DeshmukhManaging Director &
Chief Executive Officer**A. A. Karanji**

Company Secretary

Milan Shah

Chief Financial Officer

P. R. Amin**A. K. Srivastava****P. N. Kapadia****G. G. Charkravarti****S. A. Shah****L. P. Pradhan**

Directors

(KETAN VORA)

Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Notes forming part of Financial Statement for the year ended 31st March, 2016

1. Corporate Information

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 Mumbai 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 units at Nadiad and Navsari.

2. Significant Accounting Policies

a. Basis of accounting and preparation of Financial Statements

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

c. Inventories

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

d. Depreciation on tangible fixed assets

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Plant and Machinery, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

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

e. Revenue recognition

Revenue including other income is recognized when no significant uncertainty as to its determination or realization exists.

f. Export Benefits

Export Benefits available under prevalent schemes are accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization / utilization of such benefits.

g. Fixed Assets (Tangible / Intangible)

Fixed assets are recorded at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation, amortization and impairment loss, if any.

Notes forming part of Financial Statement for the year ended 31st March, 2016

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

h. Foreign currency transactions and translations

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency and forward exchange contracts are reported using closing rates of exchange. Exchange differences arising thereon and on realization / payment of foreign exchange are accounted, in the relevant year, as income or expense.

In case of forward exchange contracts, or other financial instruments that are in substance forward exchange contracts, the premium or discount arising at the inception of the contracts is amortized as expense or income over the life of the contracts. Gains / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognized as income or expense.

i. Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated where applicable in accordance with the policy stated for fixed assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

j. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

k. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

l. Employee benefits

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

Liability in respect thereof is determined on the basis of contribution as required to be made under the statutes / rules.

- b. Gratuity liability, a defined benefit scheme and provision for compensated absences are accrued and provided for on the basis of actuarial valuations made at the year end.

m. Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Notes forming part of Financial Statement for the year ended 31st March, 2016

n. Operating Lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as Operating Lease. Operating Lease receipts and payments are recognized as income or expense, as the case may be, in the Statement of Profit and Loss on a straight-line basis over the lease term.

o. Taxes on income

Tax expenses comprise both current and deferred tax at the applicable enacted / substantively enacted rates. Current tax represents the amount of Income tax payable / recoverable in respect of the taxable income / loss for the reporting period.

Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or are substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p. Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

q. Impairment of assets

Impairment loss is provided to the extent the carrying amount of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable willing parties, less the costs of disposal.

r. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are not recognised in the financial statements.

s. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

Notes forming part of Financial Statement for the year ended 31st March, 2016

t. Operating Cycle

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

u. Government grants and subsidies

Grants and subsidies from the Government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

The grant or subsidy that relates to interest expenses is recognized as income over the periods necessary to match them on a systematic basis to the interest costs, which it is intended to compensate. The grant or subsidy relating to the fixed assets is deducted in arriving at the carrying amount of the related fixed asset.

3 SHARE CAPITAL

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in lacs	Number of shares	₹ in lacs
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	14,245,081	1,424.51	14,245,081	1,424.51
Unclassified shares of ₹ 10 each	85,754,919	8,575.49	85,754,919	8,575.49
Total		10,000.00		10,000.00
(b) Issued				
Equity shares of ₹ 10/- each with voting rights	13,912,886	1,391.28	13,912,886	1,391.28
(c) Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	13,912,886	1,391.28	13,912,886	1,391.28
Less: Allotment money / Calls in arrears		0.06		0.06
Total		1,391.22		1,391.22

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Amount (₹ in lacs)	Number of shares	Amount (₹ in lacs)
(i) Equity shares with voting rights				
Opening balance	13,912,886	1391.28	13,912,886	1391.28
Less: Allotment money / Calls in arrears	-	0.06	-	0.06
Closing balance	13,912,886	1391.22	13,912,886	1391.22

b. (i) Terms / rights attached to Equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March, 2016, the amount of dividend, per share, recognized as distributions to equity shareholders is ₹ 3/- (Previous year ended 31st March, 2015 ₹ 3/-).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Notes forming part of Financial Statement for the year ended 31st March, 2016

c. Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity shares of ₹ 10/- each fully paid	31st March, 2016		31st March, 2015	
Name	Nos.	% holding	Nos.	% holding
Navin Fluorine International Limited	1,774,707	12.76	1,774,707	12.76
V. P. Mafatlal	1,212,316	8.72	1,212,316	8.72
Rupal V. Mafatlal	1,203,465	8.65	1,203,465	8.65
Altamount Products and Services Private Limited	1,064,443	7.65	1,064,443	7.65
Sukarma Investments Private Limited	839,173	6.03	839,173	6.03
H. A. Mafatlal	826,803	5.94	826,803	5.94
Rekha H. Mafatlal	804,283	5.78	804,283	5.78

d. In terms of Modified Scheme (MS) approved by BIFR in June 2009, 60,000,000 Fully Redeemable Non-Cumulative Preference Shares of ₹ 10/- each were redeemable over a period of eight years as a subordinated liability to the dues of workers, statutory agencies and the secured creditors. Preference shares redeemed by the Company during the period of five years immediately preceding the reporting date:

	Nos.	₹ In lacs
As at 31st March, 2016	60,000,000	6,000.00
As at 31st March, 2015	60,000,000	6,000.00
As at 31st March, 2014	60,000,000	6,000.00
As at 31st March, 2013	30,000,000	3,000.00
As at 31st March, 2012	30,000,000	3,000.00

e. Aggregate number of Equity shares issued for consideration other than cash during five years immediately preceding the reporting date:

- (i) During the year 2010-11, 30,000,000 Optionally Convertible Fully Redeemable Non-Cumulative Preference Shares of ₹ 10/- each were converted into 4,813,860 Equity shares of ₹ 10/- each of the Company at a premium of ₹ 52.32 per equity share.
- (ii) During the year 2013-14, 4,099,415 Equity shares of ₹ 10/- each fully paid-up have been issued to shareholders of erstwhile Mafatlal Denim Limited, as consideration on merger with the Company.

f. Calls unpaid (by other than officers and directors)

	As at 31st March, 2016	As at 31st March, 2015
	₹ In lacs	₹ In lacs
Calls Unpaid	0.06	0.06

g. During 1987-88, 535,000 shares (of ₹ 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.

Notes forming part of Financial Statement for the year ended 31st March, 2016

4 RESERVES AND SURPLUS

	(₹ in lacs)	
	As at 31st March, 2016	As at 31st March, 2015
(a) Capital Reserve no. 1		
Opening balance	61.16	61.16
(b) Capital Reserve no. 2		
Opening balance	35.00	35.00
(c) Capital Reserve on Amalgamation		
Opening balance	3,634.48	3,634.48
(d) Capital Redemption Reserve		
Opening balance	8,383.14	8,383.14
(e) Securities Premium Account		
Opening balance	17,452.07	17,452.07
(f) Capital Investment Reserve:		
(Non-taxable excess of sale proceeds over book value)		
Opening balance	75.96	75.96
(g) Investment Reserve:		
(Taken over from Mafatlal Gagalbhai and Company Private Limited from 01-04-1972 on Amalgamation)		
Opening balance	1.78	1.78
(h) Export Profit Reserve		
(Taken over from erstwhile The Mafatlal Fine Spinning and Manufacturing Co. Ltd. on Amalgamation)		
Opening balance	20.00	20.00
(i) General Reserve		
Opening balance	620.00	620.00
(j) Surplus in the Statement of Profit and Loss		
Opening balance	4,870.25	3,046.69
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax) (Refer Note no. 30.16)	-	111.57
	4,870.25	2,935.12
Addition: Profit for the year	1,712.38	2,437.49
	6,582.63	5,372.61
Less: Appropriations		
Dividend proposed to be distributed to equity shareholders	(417.39)	(417.39)
[Dividend per Share ₹ 3/- (Previous year ₹ 3/-)]		
Tax on Dividend	(84.97)	(84.97)
Total appropriations	(502.36)	(502.36)
Closing balance	6,080.27	4,870.25
Total	36,363.86	35,153.84

Notes forming part of Financial Statement for the year ended 31st March, 2016

5 LONG-TERM BORROWINGS

	As at 31st March, 2016	As at 31st March, 2015
Term loans		
From Banks - Secured [Refer Note no.(ii)]	6,070.89	5,392.66
From Banks - Secured - Loans for Vehicles [Refer Note no.(iii)]	115.83	107.63
From Others - Secured [Refer Note no.(iv)]	401.84	779.75
Total	6,588.56	6,280.04

- (i) For Current maturities of Long Term Borrowings; Refer Note No.11(a) - Other Current Liabilities.
- (ii) (a) Term loans of ₹ 1,764.15 lacs (Previous year ₹ 2,619.15 lacs) from a bank are repayable in quarterly installments till March, 2018. These loans are secured by a pari-passu mortgage / hypothecation charge on certain Fixed Assets, including leasehold land and hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loans carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 14.25% to 14.90% p.a. (Previous year 14.90% to 15.00% p.a.).
- (b) Term loan of ₹ 536.47 lacs (Previous year ₹ NIL) from a bank are repayable in quarterly installments beginning from June, 2017 till May, 2022 after a moratorium period of 15 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and pari-passu second charge on certain current assets of the Company. The loan carry interest linked to the lenders' PLR. The effective rate of interest for the year was 12.25% p.a. (Previous year Not Applicable).
- (c) Term loan of ₹ 2,499.99 lacs (Previous year ₹ 1,814.62 lacs) from a bank are repayable in monthly installments beginning from September, 2016 till August, 2021 after a moratorium period of 24 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and pledge of Equity shares owned by the Company. The loan carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 14.25% to 14.50% p.a. (Previous year: 14.00% to 14.50% p.a.).
- (d) Term loan of ₹ 2,457.63 lacs (Previous year ₹ 1,813.88 lacs) from a bank are repayable in monthly installments beginning from December, 2016 till December, 2021 after a moratorium period of 24 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and second charge on certain current assets of the Company. The loan carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 12.50% to 13.50% p.a. (Previous year: 13.50% to 13.75% p.a.).
- (iii) Loans for Vehicles from Banks is repayable in monthly installments and the same is secured by hypothecation of respective vehicles. The effective rate of interest for the year was in the range of 10.50% to 11% p.a. (Previous year 10.50% to 11% p.a.).
- (iv) (a) Term loan of ₹ 464.25 lacs (Previous year ₹ 689.25 lacs) from a Financial Institution is repayable in quarterly installments till March, 2018. The loan is secured by a pari-passu mortgage / hypothecation charge on the Company's certain Fixed Assets, including leasehold land and hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loan carry an interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the current year was at 12.70% to 13.25% p.a. (Previous year 13.25% to 16.75% p.a.).
- (b) Term loan of ₹ 315.50 lacs (Previous year ₹ 468.41 lacs) from a Financial Institution is repayable in quarterly installments till March, 2018. The loan is secured by pari-passu hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loan carries interest @ 12.70% to 13.25% p.a. (Previous year 12.25% to 13.25% p.a.).

Notes forming part of Financial Statement for the year ended 31st March, 2016

6 DEFERRED TAX LIABILITIES (NET)

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	3,363.86	2,178.75
Tax effect of items constituting deferred tax liability	3,363.86	2,178.75
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts / advances and lease equalisation reserve (net)	37.67	54.08
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	712.93	887.78
Unabsorbed carried forward depreciation	2,136.09	931.22
Tax effect of items constituting deferred tax assets	2,886.69	1,873.08
Net deferred tax liability (net)	477.17	305.67

7 OTHER LONG-TERM LIABILITIES

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
(i) Trade / Security deposits received	249.85	225.16
(ii) Interest accrued on others (Refer Note no.30.4)	109.06	51.77
Total	358.91	276.93

8 LONG-TERM PROVISIONS

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits		
(i) Provision for Compensated absences (Refer Note no.31.4)	479.43	514.66
Total	479.43	514.66

9 SHORT-TERM BORROWINGS

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
Loans repayable on demand		
From Banks		
(i) Secured * - Overdraft facility	7,529.39	3,171.44
(ii) Secured ** - Cash credit	6,694.10	4,040.81
Total	14,223.49	7,212.25

* Secured against Fixed Deposits of ₹ 8,354.30 lacs, maturing on various dates, last date of maturity 15th March, 2017 (Previous year: ₹ 7,372.79 lacs, last date of maturity 15th March, 2016).

** Cash credit facility are secured by hypothecation of certain stocks and book debts both present and future of the Company, second charge on certain Fixed Assets of the Company and pledge of investments held by the Company. The cash credit is repayable on demand and carry an interest @ 12.00% to 14.10% p.a. (Previous year 12.75% to 14.50% p.a.).

Notes forming part of Financial Statement for the year ended 31st March, 2016

10 TRADE PAYABLES

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note no. 30.3)	83.11	49.15
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	27,227.26	19,092.23
Total	27,310.37	19,141.38

11 OTHER CURRENT LIABILITIES

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of long-term debt (Refer Note No.5 - Long Term Borrowings for details of securities)		
(i) From Banks - Secured	1,187.35	855.00
(ii) From Banks - Secured - Loans for Vehicles	47.92	34.38
(iii) From Others - Secured	377.91	377.91
(b) Interest accrued but not due on borrowings	91.62	39.59
(c) Unclaimed dividends	20.66	14.72
(d) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	611.77	566.43
(ii) Payables on purchase of fixed assets	-	45.96
(iii) Interest accrued on other than borrowings	711.70	879.28
(iv) Trade / security deposits received	48.35	44.72
(v) Advances from customers	365.09	448.09
(vi) Other advances (Refer Note no. 30.4)	577.89	577.89
(vii) Others (including dues for Voluntary Retirement Scheme, electricity dues, etc.)	432.40	331.28
(viii) Lease rent / utilities equalisation on expense	98.01	80.62
Total	4,570.67	4,295.87

12 SHORT-TERM PROVISIONS

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for employee benefits		
(i) Provision for Compensated absences (Refer Note no.31.4)	139.92	142.64
(ii) Provision for Gratuity (Refer Note no. 31.4)	126.44	173.94
	266.36	316.58
(b) Provisions - Others		
(i) Provision for tax (net of advance tax ₹ 1,290.75 lacs (As at 31st March, 2015 ₹ 11,125.65 lacs))	754.00	980.71
(ii) Provision for Fringe Benefit Tax (net of advance tax ₹ 39.05 lacs (As at 31st March, 2015 ₹ 39.05 lacs))	0.40	0.40
(iii) Provision for Wealth Tax (net)	0.11	0.34
(iv) Provision for Proposed Equity dividend	417.39	417.39
(v) Provision for tax on Proposed dividend	84.97	84.97
	1,256.87	1,483.81
Total	1,523.23	1,800.39

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 13a Fixed assets

(₹ in lacs)

	Tangible assets	Gross block						
		Balance as at 1st April, 2015	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31st March, 2016
(a)	Land							
	Freehold	21.08	-	-	-	-	-	21.08
	(Previous year)	(21.08)	-	-	-	-	-	(21.08)
	Leasehold	0.08	-	-	-	-	-	0.08
	(Previous year)	(0.08)	-	-	-	-	-	(0.08)
		21.16	-	-	-	-	-	21.16
	(Previous year)	(21.16)	-	-	-	-	-	(21.16)
(b)	Buildings							
	Own use	4,740.22	379.37	22.73	-	-	-	5,096.86
	(Previous year)	(4,333.59)	(423.30)	(16.67)	-	-	-	(4,740.22)
	Given under operating lease	63.60	-	-	-	-	-	63.60
	(Previous year)	(63.60)	-	-	-	-	-	(63.60)
		4,803.82	379.37	22.73	-	-	-	5,160.46
	(Previous year)	(4,397.19)	(423.30)	(16.67)	-	-	-	(4,803.82)
(c)	Plant and equipment							
	Owned	43,371.45	6,174.99	3,025.43	-	-	-	46,521.01
	(Previous year)	(42,483.58)	(1,889.51)	(1,001.64)	-	-	-	(43,371.45)
		43,371.45	6,174.99	3,025.43	-	-	-	46,521.01
	(Previous year)	(42,483.58)	(1,889.51)	(1,001.64)	-	-	-	(43,371.45)
(d)	Furniture and fixtures							
	Owned	525.11	293.06	9.32	-	-	-	808.85
	(Previous year)	(417.08)	(130.49)	(22.46)	-	-	-	(525.11)
		525.11	293.06	9.32	-	-	-	808.85
	(Previous year)	(417.08)	(130.49)	(22.46)	-	-	-	(525.11)
(e)	Vehicles							
	Owned	428.19	121.64	87.70	-	-	-	462.13
	(Previous year)	(358.12)	(94.85)	(24.78)	-	-	-	(428.19)
		428.19	121.64	87.70	-	-	-	462.13
	(Previous year)	(358.12)	(94.85)	(24.78)	-	-	-	(428.19)
(f)	Office equipment							
	Owned	692.31	96.62	7.74	-	-	-	781.19
	(Previous year)	(842.16)	(36.78)	(186.63)	-	-	-	(692.31)
		692.31	96.62	7.74	-	-	-	781.19
	(Previous year)	(842.16)	(36.78)	(186.63)	-	-	-	(692.31)

Notes forming part of Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

	Tangible assets	Gross block						Balance as at 31st March, 2016
		Balance as at 1st April, 2015	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	
(g) Leasehold improvements								
Owned		256.82	-	-	-	-	-	256.82
(Previous year)		(256.82)	-	-	-	-	-	(256.82)
		256.82	-	-	-	-	-	256.82
(Previous year)		(256.82)	-	-	-	-	-	(256.82)
(h) Railway sidings								
Owned		2.70	-	-	-	-	-	2.70
(Previous year)		(2.70)	-	-	-	-	-	(2.70)
		2.70	-	-	-	-	-	2.70
(Previous year)		(2.70)	-	-	-	-	-	(2.70)
Total		50,101.56	7,065.68	3,152.92	-	-	-	54,014.32
(Previous year)		(48,778.81)	(2,574.93)	(1,252.18)	-	-	-	(50,101.56)

Note 13a Fixed assets (contd)

(₹ in lacs)

	Tangible assets	Accumulated depreciation and impairment				Net block		
		Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(a) Land								
Freehold		-	-	-	-	-	21.08	21.08
(Previous year)		-	-	-	-	-	(21.08)	
Leasehold		-	-	-	-	-	0.08	0.08
(Previous year)		-	-	-	-	-	(0.08)	
		-	-	-	-	-	21.16	21.16
(Previous year)		-	-	-	-	-	(21.16)	
(b) Buildings								
Own use		2,206.89	103.45	22.73	-	2,287.61	2,809.25	2,533.33
(Previous year)		(2,016.04)	(94.41)	(11.94)	(108.38)	(2,206.89)	(2,533.33)	
Given under operating lease		16.31	1.00	-	-	17.31	46.29	47.29
(Previous year)		(15.31)	(1.00)	-	-	(16.31)	(47.29)	
		2,223.20	104.45	22.73	-	2,304.92	2,855.54	2,580.62
(Previous year)		(2,031.35)	(95.41)	(11.94)	(108.38)	(2,223.20)	(2,580.62)	

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 13a Fixed assets (contd)

(₹ in lacs)

Tangible assets	Accumulated depreciation and impairment				Net block		
	Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(c) Plant and equipment							
Owned	30,434.77	1,785.55	2,949.07	-	29,271.25	17,249.76	12,936.68
(Previous year)	(30,025.48)	(1,340.83)	(958.30)	(26.76)	(30,434.77)	(12,936.68)	
	30,434.77	1,785.55	2,949.07	-	29,271.25	17,249.76	12,936.68
(Previous year)	(30,025.48)	(1,340.83)	(958.30)	(26.76)	(30,434.77)	(12,936.68)	
(d) Furniture and fixtures							
Owned	235.54	48.31	4.95	-	278.90	529.95	289.57
(Previous year)	(224.79)	(31.66)	(21.96)	1.05	(235.54)	(289.57)	
	235.54	48.31	4.95	-	278.90	529.95	289.57
(Previous year)	(224.79)	(31.66)	(21.96)	1.05	(235.54)	(289.57)	
(e) Vehicles							
Owned	133.99	51.87	34.82	-	151.04	311.09	294.20
(Previous year)	(104.32)	(50.48)	(21.07)	(0.26)	(133.99)	(294.20)	
	133.99	51.87	34.82	-	151.04	311.09	294.20
(Previous year)	(104.32)	(50.48)	(21.07)	(0.26)	(133.99)	(294.20)	
(f) Office equipment							
Owned	570.68	61.86	6.71	-	625.83	155.36	121.63
(Previous year)	(639.18)	(85.54)	(186.47)	32.43	(570.68)	(121.63)	
	570.68	61.86	6.71	-	625.83	155.36	121.63
(Previous year)	(639.18)	(85.54)	(186.47)	32.43	(570.68)	(121.63)	
(g) Leasehold improvements							
Owned	77.56	30.26	-	-	107.82	149.00	179.26
(Previous year)	(47.30)	(30.26)	-	-	(77.56)	(179.26)	
	77.56	30.26	-	-	107.82	149.00	179.26
(Previous year)	(47.30)	(30.26)	-	-	(77.56)	(179.26)	
(h) Railway sidings							
Owned	2.57	-	-	-	2.57	0.13	0.13
(Previous year)	(2.57)	-	-	-	(2.57)	(0.13)	
	2.57	-	-	-	2.57	0.13	0.13
(Previous year)	(2.57)	-	-	-	(2.57)	(0.13)	
Total	33,678.31	2,082.30	3,018.28	-	32,742.33	21,271.99	16,423.25
(Previous year)	(33,074.99)	(1,634.18)	(1,199.74)	(168.88)	(33,678.31)	(16,423.25)	

Note:

- Buildings include ₹ 12.86 lacs (Previous year ₹ 12.86 lacs) being the cost of ownership premises in a co-operative society, including cost of shares received for the face value of ₹ 2500/-, under the bye-laws of the society.
- The Company is in the process of getting expired leases renewed.

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 13b Fixed assets

(₹ in lacs)

	Intangible assets	Gross block						Balance as at 31st March, 2016
		Balance as at 1st April, 2015	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	
(a)	Computer software							
	Owned	132.99	13.95	-	-	-	-	146.94
	(Previous year)	(118.34)	(10.62)	-	-	-	(4.03)	(132.99)
	Total	132.99	13.95	-	-	-	-	146.94
	(Previous year)	(118.34)	(10.62)	-	-	-	(4.03)	(132.99)

(₹ in lacs)

	Intangible assets	Accumulated depreciation and impairment				Net block		
		Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(a)	Computer software							
	Owned	45.27	32.98	-	-	78.25	68.69	87.72
	(Previous year)	(8.02)	(33.08)	-	(4.17)	(45.27)	(87.72)	
	Total	45.27	32.98	-	-	78.25	68.69	87.72
	(Previous year)	(8.02)	(33.08)	-	(4.17)	(45.27)	(87.72)	

Note 14 Non-current investments

(₹ in lacs)

		As at 31 March, 2016				As at 31 March, 2015			
		No. of shares	Quoted	Unquoted	Total	No. of shares	Quoted	Unquoted	Total
	Long Term Investments (At cost)								
I	Trade								
(a)	Investment in equity instruments (Fully paid)								
	Associates								
	Equity shares of ₹ 100/- each of Mafatlal Engineering Industries Ltd ###	146,364		(1.00)	(1.00)	146,364		(1.00)	(1.00)
(i)	Associates								
	Joint Ventures								
	Equity shares of AED 1000/- each of Al Fahim Mafatlal Textiles LLC	147		22.73	22.73	147		22.73	22.73
(ii)	Joint Ventures								
	Other entities								
	Equity shares of ₹ 10/- each of Matcon Export Enterprises Ltd.	13,350		(1.00)	(1.00)	13,350		(1.00)	(1.00)
	Equity shares of ₹ 1/- each of Integra Engineering India Ltd	20	(1.00)		(1.00)	20	(1.00)		(1.00)
(iii)	Other entities								
	Total Trade Investments - (I)			22.73	22.73			22.73	22.73

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 14 Non-current investments (Contd)

(₹ in lacs)

	As at 31 March, 2016				As at 31 March, 2015			
	No. of shares	Quoted	Unquoted	Total	No. of shares	Quoted	Unquoted	Total
II Other Investments								
(a) Investment Properties (Refer Note 1 below)								
Immoveable Property (net of accumulated depreciation)			45.86	45.86			49.74	49.74
(b) Investment in equity instruments (Fully paid)								
Subsidiaries								
Equity shares of ₹ 100/- each of Mafatlal Services Ltd.	272,800		272.80	272.80	272,800		272.80	272.80
Equity shares of ₹ 10/- each of Ibiza Industries Limited ***	2,616,670		(1.00)	(1.00)	2,616,670		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Sunanda Industries Ltd. *	3,976,002		(1.00)	(1.00)	3,976,002		(1.00)	(1.00)
(i) Subsidiaries			272.80	272.80			272.80	272.80
Associates								
Equity shares of ₹ 10/- each of Mafatlal Ltd, UK.##	23,700		(1.00)	(1.00)	23,700		(1.00)	(1.00)
(ii) Associates			-	-			-	-
Other entities								
Equity shares of ₹ 10/- each of Anil Products Limited	2,320		(1.00)	(1.00)	2,320		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Anil Biochem Limited	116		(1.00)	(1.00)	116		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Arlabs Ltd.	100		(1.00)	(1.00)	100		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Cama Hotels Ltd.	45,000		5.95	5.95	45,000		5.95	5.95
Equity shares of ₹ 10/- each of Cellulose Products of India Ltd.	15,000		(1.00)	(1.00)	15,000		(1.00)	(1.00)
Equity shares of ₹ 25/- each of Universal Dyestuff Industries Ltd.	10		(1.00)	(1.00)	10		(1.00)	(1.00)
Equity shares of ₹ 100/- each of SLM Maneklal Industries Ltd.	5,870		(1.00)	(1.00)	5,870		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Stanrose Mafatlal Investments and Finance Ltd.	79,920	24.98		24.98	79,920	24.98		24.98
Equity shares of ₹ 10/- each of Mangal Credit & Fincorp Ltd.	83,700	1.50		1.50	13,950	1.50		1.50
Equity shares of ₹ 2/- each of Ultramarine and Pigments Ltd.	9,600	0.02		0.02	9,600	0.02		0.02
Equity shares of ₹ 10/- each of NOCIL Limited \$\$	23,036,469	3,853.72		3,853.72	23,036,469	3,853.72		3,853.72
Equity shares of ₹ 10/- each of Hybrid Financial Services Limited \$	1,600	(1.00)		(1.00)	1,600	(1.00)		(1.00)
Equity shares of ₹ 10/- each of Navin Fluorine International Limited	189,964	673.23		673.23	189,964	673.23		673.23
Equity shares of ₹ 10/- each of Bank of India.	100	0.36		0.36	100	0.36		0.36
Equity shares of ₹ 10/- each of Mafatlal Medical Devices Limited \$	30,000		(1.00)	(1.00)	30,000		(1.00)	(1.00)
Equity shares of ₹ 100/- each of Suremi Trading Private Limited \$	2		(1.00)	(1.00)	2		(1.00)	(1.00)
Equity shares of ₹ 100/- each of Mafatlal Impex Private Limited. \$	2		(1.00)	(1.00)	2		(1.00)	(1.00)
Equity shares of ₹ 100/- each of Navdeep Investment Private Limited \$ **	6,250		(1.00)	(1.00)	6,250		(1.00)	(1.00)
Equity shares of ₹ 10/- each of Arvi Associates Private Limited \$	10,000		(1.00)	(1.00)	10,000		(1.00)	(1.00)
Equity shares of ₹ 100/- each of Janata Sahakari Bank Limited	34,050		34.05	34.05	25,050		25.05	25.05

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 14 Non-current investments (Contd)

		As at 31 March, 2016				As at 31 March, 2015			
		No. of shares	Quoted	Unquoted	Total	No. of shares	Quoted	Unquoted	Total
	Equity shares of ₹ 25/- each of Shamrao Vithal Co-Operative Bank Limited.	100		0.03	0.03	100		0.03	0.03
	Equity shares of ₹ 10/- each of Mafatlal Global Apparel Limited	12,40,000		124.00	124.00	12,40,000		124.00	124.00
(iii)	Other entities		4,553.81	164.03	4,717.84		4,553.81	155.03	4,708.84
(c)	Investments in Government securities (Fully paid)								
	In Government securities (Face value of ₹ 2.89 lacs) have been lodged with various authorities			2.89	2.89			2.89	2.89
	Investments in Government securities			2.89	2.89			2.89	2.89
(d)	Investment in debentures or bonds (Fully paid)								
(i)	Associates								
	10% Secured Redeemable Convertible Debentures of Mafatlal Engineering Industries Ltd. ##	165,000.00		(1.00)	(1.00)	165,000.00		(1.00)	(1.00)
(ii)	Other entities								
	Corporate Bonds of Housing Development Finance Corporation Ltd.:11 % - Series IV #	2,050		20.50	20.50	2,050		20.50	20.50
	Investment in debentures or bonds			20.50	20.50			20.50	20.50
(e)	Other Non-current Investments (Fully paid)								
	Shares of ₹ 50/- each of Sea- Face Park Co-op Hsg Society Ltd.	5		(250.00)	(250.00)	5		(250.00)	(250.00)
	Total Other Investments - (II)	-	4,553.81	506.08	5,059.89	-	4,553.81	500.96	5,054.77
	Total Investments - (I + II)	-	4,553.81	528.81	5,082.62	-	4,553.81	523.69	5,077.50
	Provision for diminution in value of investments - Opening Balance			288.53	288.53			245.30	245.30
	Add: Provision for diminution made during the Current year			-	-			43.23	43.23
	Provision for diminution in value of investments - Closing Balance			288.53	288.53			288.53	288.53
	Grand Total Investments	-	4,553.81	240.28	4,794.09	-	4,553.81	235.16	4,788.97
	Aggregate amount of quoted investments				4,553.81				4,553.81
	Aggregate market value of listed and quoted investments				13,981.79				10,389.86
	Aggregate value of listed but not quoted investments				-				-
	Aggregate amount of unquoted investments				240.28				235.16

Figures in () are in Full Rupees

- * Subject to non disposal undertakings given to financial institutions. The company is currently under liquidation. 400000 Equity shares were not available for verification.
- # 1,050 nos. - Not available for physical verification.
- ## Not available for physical verification / confirmation not available; currently under liquidation.
- ### 66,362 Equity shares not available for physical verification; currently under liquidation.
- \$ Not held in the name of the Company since acquired on Amalgamation.
- ** 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.
- \$\$ 85,36,667 (Previous year 85,36,667) Equity Shares pledged with banks.

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 14 Non-current investments (Contd)

Note: 1

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
Investment Properties		
Gross Block		
Balance as per last Balance Sheet	72.61	76.98
Less: Deduction during the year	-	4.37
	72.61	72.61
Balance as per last Balance Sheet	22.87	18.99
Add: Depreciation for the year	3.88	3.88
Less : Accumulated Depreciation	26.75	22.87
Net Block	45.86	49.74

15 LONG-TERM LOANS AND ADVANCES

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
(a) Capital advances		
Unsecured, considered good	1,452.58	1,502.34
(b) Security deposits		
Unsecured, considered good	807.99	751.19
(c) Loans and advances to related parties (Refer Note no. 31.5) (See note below)		
Unsecured, considered good	336.19	621.95
(d) Loans and advances to employees		
Unsecured, considered good	-	17.09
(e) Prepaid expenses		
Unsecured, considered good	1.51	1.82
(f) Advance income tax (net of provisions ₹ 12,596.65 lacs (As at 31st March, 2015 ₹ 1,550.85 lacs))		
Unsecured, considered good	1,834.45	1,523.77
(g) MAT credit entitlement	1,231.00	871.00
(h) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	133.26	133.16
(ii) VAT credit receivable	8.67	25.70
(iii) Service Tax credit receivable	254.35	244.10
(iv) Deposit with Excise authorities in Escrow account	232.31	232.25
	628.59	635.21
Unsecured, considered doubtful		
Deposit with Excise authorities	31.45	31.45
Less: Provision for doubtful loans and advances	(31.45)	(31.45)
	628.59	635.21

Notes forming part of Financial Statement for the year ended 31st March, 2016

	(₹ in lacs)	
	As at 31st March, 2016	As at 31st March, 2015
(i) Other loans and advances		
Unsecured, considered good		
(i) Deposits recoverable from parties	9.33	38.36
(ii) Lease rent / utilities equalisation on income	39.53	40.09
	48.86	78.45
Total	6,341.17	6,002.82
Note: Long-term loans and advances include amounts due from:		
Director	-	56.20
Private companies in which atleast one of the directors is a director or member:		
Mafatlal Impex Private Limited	155.56	267.25
Suremi Trading Private Limited	84.76	122.77
Sukarma Investments Private Limited	95.87	175.73
Total	336.19	621.95

16 OTHER NON-CURRENT ASSETS

	₹ in lacs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Accruals		
(i) Interest accrued on deposits	3.91	3.91
(ii) Interest accrued on loans to staff	-	17.17
(b) Others		
(i) Balances with Banks in earmarked accounts (Refer Note no. 30.4)	674.39	621.53
Total	678.30	642.61
Other Non-current assets include amounts due from:		
Director	-	17.17

17 INVENTORIES (At lower of cost and net realizable value)

	₹ in lacs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Raw materials	1,793.52	1,147.22
(b) Work-in-progress	6,780.23	6,729.27
(c) Finished goods (Other than those acquired for trading)	4,616.12	2,279.07
(d) Stock in trade (Acquired for trading) includes material in transit ₹ Nil (Previous year ₹ 53.47 lacs)	1,333.40	1,308.36
(e) Stores and spares	725.14	709.20
(f) Others (Land) (Refer Note no. 30.14)	61.97	61.97
Total	15,310.38	12,235.09

Notes forming part of Financial Statement for the year ended 31st March, 2016

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
Note: Details of Inventories of Work-in-progress:		
Cotton & Fibre	323.41	314.84
Yarn	2,857.77	2,037.12
Fabrics	3,599.05	4,196.39
Others	-	180.92
	6,780.23	6,729.27

18 TRADE RECEIVABLES

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	1,945.25	1,715.83
Doubtful	105.63	87.16
	2,050.88	1,802.99
Less: Provision for doubtful trade receivables	(105.63)	(87.16)
	1,945.25	1,715.83
Other Trade receivables		
Unsecured, considered good	29,251.18	18,212.14
Total	31,196.43	19,927.97
Includes debts dues from:-		
Private companies in which atleast one of the directors is a director or member:		
Krishnadeep Housing Development Private Limited	-	13.50
Cebon Apparel Private Limited	13.23	15.93
Tropical Clothing Company Private Limited	9.64	21.22
Total	22.87	50.65

19 CASH AND BANK BALANCES

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
A Cash and Cash equivalents (As per AS-3 Cash Flow Statements)		
(a) Cash on hand	16.15	18.77
(b) Cheques on hand	7.44	47.86
(c) Balances with banks:		
(i) In Current accounts	550.62	978.84
(ii) In Other deposit accounts - Original maturity of 3 months or less	0.10	-
Total - Cash and cash equivalents (As per AS-3 Cash Flow Statements) (A)	574.31	1,045.47

Notes forming part of Financial Statement for the year ended 31st March, 2016

	As at 31st March, 2016	As at 31st March, 2015
B Other bank balances		
(i) In Other deposit accounts - original maturity more than 3 months (Refer note ii(a))	55.40	884.10
(ii) In earmarked accounts		
(a) Balances held as margin money or security against borrowings, guarantees and other commitments (Refer note ii (b))	940.28	1,379.78
(b) Unclaimed dividend accounts	20.66	14.72
(iii) Others		
-Balance in Fixed Deposits (earmarked for Overdraft Facility)	8,354.30	7,398.45
-Balance in Escrow Current account (Refer Note (i) below)	1.87	1.87
Total - Other bank balances (B)	9,372.51	9,678.92
Total Cash and bank balances (A+B)	9,946.82	10,724.39

Notes:

- (i) Balance in Escrow Current account is operated under the supervision of Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.
- (ii) (a) Bank deposits with more than 12 months maturity from Balance Sheet date is ₹ 10.00 lacs in Current year (Previous year ₹ 7.00 lacs).
- (ii) (b) Includes balances with more than 12 months maturity from Balance Sheet date is ₹ 190.65 lacs in Current year (Previous year ₹ 396.21 lacs).

20 SHORT-TERM LOANS AND ADVANCES

	As at 31st March, 2016	As at 31st March, 2015
(a) Loans and advances to related parties (Refer Note no. 31.5)		
Unsecured, considered good	-	6.20
(b) Security deposits		
Unsecured, considered good	198.04	280.28
(c) Loans and advances to employees		
Unsecured, considered good	11.05	24.30
(d) Prepaid expenses		
Unsecured, considered good	159.01	72.58
(e) Balances with government authorities		
Unsecured, considered good		
(i) Sales Tax receivable	40.15	-
(ii) Export and Modvat Benefit receivable	787.77	692.17
(iii) Interest subsidy receivable (TUFS)	482.92	142.41
	1,310.84	834.58

Notes forming part of Financial Statement for the year ended 31st March, 2016

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(f) Others		
Unsecured, considered good		
Trade advances, considered good	632.82	324.56
Total	2,311.76	1,542.50
Note:		
Short-term loans and advances include amounts due from:		
Director	-	6.20

21 OTHER CURRENT ASSETS

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(a) Unamortised Premium	7.22	-
(b) Accruals		
(i) Interest accrued on deposits with banks	431.32	403.79
(ii) Interest accrued on deposits with others	12.47	12.43
(iii) Interest accrued on loans to staff	0.37	0.33
Total	451.38	416.55

22 REVENUE FROM OPERATIONS

₹ in lacs

	Current year	Previous year
(a) Sale of products (Refer note (I) below)	129,498.17	98,711.94
(b) Other operating revenues (Refer note (II) below)	2,810.57	2,639.60
Revenue from operations (Gross)	132,308.74	101,351.54
Note:		
I Sale of products comprises:		
a Manufactured goods		
Cloth	26,421.74	23,019.33
Yarn	644.06	12.33
Denim Fabrics	38,268.39	27,652.05
Garments	13.59	86.18
Total - Sale of Manufactured goods	65,347.78	50,769.89
b Traded goods		
Textile	61,898.90	47,942.05
Others	2,251.49	-
Total - Sale of Traded goods	64,150.39	47,942.05
Total - Sale of Products (a + b)	129,498.17	98,711.94

Notes forming part of Financial Statement for the year ended 31st March, 2016

	₹ in lacs	
	Current year	Previous year
II Other operating revenues		
Income from waste / scrap sale	593.38	394.01
Processing charges	126.95	118.63
Duty drawback and other export incentives	762.19	814.99
Rental income from investment property	467.49	407.54
Utility / business service / air-conditioning charges and other receipts	860.56	904.43
Total	2,810.57	2,639.60

23 OTHER INCOME

	₹ in lacs	
	Current year	Previous year
Interest income (Refer note 1, below)	963.78	1,020.12
Dividend income from long term investments	272.72	191.23
Net gain on sale of long term investments	77.00	1,077.41
Net gain on foreign currency transaction and translation	188.90	78.30
Other non-operating income (Refer note 2, below)	654.79	750.40
Total	2,157.19	3,117.46
Notes:		
1 Interest income comprises:		
Interest from banks on deposits	898.24	905.75
Other interest	65.54	114.37
Total	963.78	1,020.12
2 Other non-operating income:		
Miscellaneous income	196.85	132.96
Profit on sale of fixed assets	414.13	560.18
Liabilities / Provisions no longer required written back	43.81	57.26
Total	654.79	750.40

24 (a) COST OF MATERIALS CONSUMED (Refer Note no. 30.9)

	₹ in lacs	
	Current year	Previous year
Opening stock	1,147.22	1,541.10
Add: Purchases	30,631.55	21,967.60
Less: Closing stock	1,793.52	1,147.22
Cost of materials consumed	29,985.25	22,361.48
Materials consumed comprises:		
Cotton & Fibre	14,887.16	13,638.56
Yarn	9,651.18	6,244.49
Fabrics	3,857.93	1,760.11
Others	1,588.98	718.32
Total	29,985.25	22,361.48

Notes forming part of Financial Statement for the year ended 31st March, 2016

24 (b) PURCHASE OF TRADED GOODS

	₹ in lacs	
	Current year	Previous year
Textile	56,834.99	42,717.40
Others	2,037.12	-
Total	58,872.11	42,717.40

24 (c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	₹ in lacs	
	Current year	Previous year
Inventories at the end of the year		
Finished goods	4,616.12	2,279.07
Work-in-progress	6,780.23	6,729.27
Stock-in-trade (Traded goods)	1,333.40	1,308.36
	12,729.75	10,316.70
Inventories at the beginning of the year		
Finished goods	2,279.07	2,667.50
Work-in-progress	6,729.27	5,402.63
Stock-in-trade (Traded goods)	1,308.36	1,932.60
	10,316.70	10,002.73
Net increase	2,413.05	313.97

25 EMPLOYEE BENEFITS EXPENSE

	₹ in lacs	
	Current year	Previous year
Salaries and wages	10,744.70	8,175.36
Contributions to provident and other funds (Refer Note no. 31.4)	806.46	663.20
Gratuity expenses	203.00	535.58
Staff welfare expenses	405.48	363.14
Total	12,159.64	9,737.28

26 FINANCE COSTS (NET)

	₹ in lacs	
	Current year	Previous year
(a) Interest expense on:		
(i) Borrowings (Refer Note no. 1)	1,794.36	1,275.67
(ii) Trade payables	150.02	140.01
(iii) Others (Includes charges for bills discounting, interest on service tax and excise etc.)	66.57	96.57
(b) Other borrowing costs	105.17	171.80
Total	2,116.12	1,684.05

Note no. 1

The interest subsidy for the year on the Term Loans availed under the Technology Upgradation Fund Scheme (TUFS) is ₹ 262.73 lacs (Previous year ₹ 194.80 lacs) and the same has been netted off from interest expense.

Note no. 2

Finance costs are net of ₹ 175.92 lacs (Previous year ₹ 128.88 lacs) capitalised in fixed assets and CWIP - (Refer Note no. 30.13).

Notes forming part of Financial Statement for the year ended 31st March, 2016

27 DEPRECIATION AND AMORTISATION EXPENSE

	₹ in lacs	
	Current year	Previous year
(Refer note no. 13a, 13b and 14)		
Depreciation on tangible assets	2,082.32	1,634.18
Amortisation on intangible assets	32.98	33.08
Depreciation on investment property	3.88	3.88
Total	2,119.18	1,671.14

28 OTHER EXPENSES

	₹ in lacs	
	Current year	Previous year
Consumption of stores and spare parts (Refer Note no.30.9)	10,165.42	8,306.60
Processing charges	2,716.17	2,051.25
Power and fuel	8,802.32	7,902.28
Repairs and maintenance - Buildings	198.62	142.47
Repairs and maintenance - Machinery	275.54	294.99
Repairs and maintenance - Others	34.74	32.75
Insurance	86.76	78.43
Lease rent (Refer Note no. 31.1)	394.42	349.76
Rates and taxes (including wealth tax ₹ 1.81 lacs of earlier years (Previous year ₹ 3.00 lacs))	263.02	198.27
Commission, brokerage and discount	2,090.86	1,569.02
Transport and freight charges (net)	623.85	574.71
Expenditure on corporate social responsibility	35.84	6.20
Donations and contributions	2.83	0.76
Bad trade and other receivables / loans and advances written off (net)	20.25	14.54
Long term investments written off	-	0.01
Provision for doubtful trade receivables and loans & advances (net)	18.46	19.44
Provision for diminution in the value of long term Investments- (includes ₹NIL; Previous year includes ₹ 22.73 lacs for a Joint Venture)	-	43.23
Loss on fixed assets sold / scrapped / written off	50.07	33.42
Legal and professional fees	540.85	523.70
Payments to auditors (Refer note (I) below)	64.06	64.97
Directors' fees	24.00	8.10
Miscellaneous expenses (includes Travelling, Printing & Stationery etc.)	3,334.72	2,733.74
Total	29,742.80	24,948.64

Notes forming part of Financial Statement for the year ended 31st March, 2016

₹ in lacs

	Current year	Previous year
Note:		
(I) Payments to auditors (excluding service tax)		
Statutory Auditors		
Audit fees	34.00	18.00
For taxation matters	-	28.74
For other services	23.00	12.65
Reimbursement of expenses	0.41	0.16
TOTAL	57.41	59.55
Branch Auditors		
Audit fees	3.00	2.50
For taxation matters	0.90	0.90
For other services	1.60	1.25
Reimbursement of expenses	1.15	0.77
TOTAL	6.65	5.42

29 EXCEPTIONAL ITEMS

₹ in lacs

	Current year	Previous year
Profit on sale of Long Term Investment - Investment Properties (net)	-	898.63
TOTAL	-	898.63

Note 30 Additional information to the financial statements

(₹ in Lacs)

	As at 31st March, 2016	As at 31st March, 2015
30 .1 Contingent liabilities and commitments (to the extent not provided for)		
(a) The Company is contingently liable for :		
i Bills of exchange discounted	761.97	877.93
ii Demands of income-tax authorities disputed in appeals (mainly relate to disallowance of conversion of land to stock in trade, write off of balances of loans & advances, business expenditure, Chapter VIA deductions, etc. (pending before the Commission of Income-tax (Appeals)/ Income-tax Appellate Tribunal))	2,617.89	2,979.25
iii Demands under excise and other proceedings disputed in appeals (mainly relating to matters like differential duty on revision of assessable value of yarn captively consumed, duty on T.C. hard waste, duty on drill etc. (pending at various stages, from Assistant Commissioner to CESTAT))	2,624.24	2,624.24
iv Disputed demand notice issued by the Commissioner of Central Excise relating to Excise and Service Tax matters (includes penalty). ₹ 221.32 lacs paid under protest during the previous year.	2,960.55	2,960.55

Notes forming part of Financial Statement for the year ended 31st March, 2016

(₹ in Lacs)		
	As at 31st March, 2016	As at 31st March, 2015
v Claims against the Company not acknowledged as debts (mainly relating to dispute on fixed water charges at Navsari Unit, disputed service tax, interest on sales tax)	24.84	113.38
vi Concessional customs duty on import of machinery under EPCG Scheme payable subject to fulfillment of mandatory import/ export obligation. The Company has submitted a bond to the authorities of Rs 1,000.00 lakhs. (including Penalty)	-	1,216.00
vii Claims made by workers against the Company (mainly relating to matters like termination, compensation etc.)	1,376.32	1,408.66
viii Demands from Director General of Foreign Trade against Advance License	4.79	4.79
ix 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 ₹ 2,696.98 lacs (Previous year ₹ 2,696.98 lacs) for the period from 01.04.2008 to 31.03.2010 has been raised by Brihanmumbai Mahanagarpalika towards Property Taxes in respect of the properties owned by various owners for the respective floors. No demand is raised in respect of common areas / properties in the name of the Company. The demand has been challenged by owners of various floors at appropriate forum and the matter is subjudiced. 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 ₹ 378.51 lacs (Previous year ₹ 378.51 lacs) for earlier years has been raised by Brihanmumbai Mahanagarpalika towards Property Taxes in respect of the properties owned by the Company for the respective floor.

In the above matters (i) to (ix), the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

₹ in lacs		
	As at 31st March, 2016	As at 31st March, 2015
(b) Letter of comfort given on behalf of Ibiza Industries Limited (under liquidation since 2007) not considered as Guarantee on legal advice.	850.28	850.28

₹ in Lacs		
	As at 31st March, 2016	As at 31st March, 2015
30.2 Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:-		
Tangible assets	5,303.48	907.93

Notes forming part of Financial Statement for the year ended 31st March, 2016

30.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in Lacs)		
	As at 31 March, 2016	As at 31 March, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	83.11	49.15
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. The Company has not received intimation from most of the suppliers regarding the status under the Micro, Small and Medium Enterprises Development Act, 2006.

30.4 As legally advised, the Company has not recognized as income recovery of rent and other charges of ₹ 83.61 lacs upto 31st March, 2016 (₹ 83.61 lacs upto 31st March, 2015) 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 ₹ 577.89 lacs (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 ₹ 577.89 lacs has been included in other current liabilities (Refer Note no. 7, 11 and Note no. 16).

30.5 a) Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

(₹ in lacs)			
Name of the party	Relationship	Amount outstanding as at 31st March, 2016	Maximum balance outstanding during the year
Mafatlal Global Apparels Limited (Inter Corporate Deposit)	Associate upto 23.03.2015	-	-
		-	(263.52)

Note: Figures in () relate to the previous year.

b Details of Loan given and Investment made covered u/s 186(4) of the Companies Act, 2013

(i) Loans given

₹ in lacs			
Name of Party	Purpose	Current Year	Previous Year
Silvia Apparel Limited	Loan	2.25	9.25

(ii) Investments made

₹ in lacs		
Name of Party	Current Year	Previous Year
Janata Sahkari Bank Limited, Pune	9.00	25.05
The Shamrao Vitthal Co-operative Bank Ltd.	-	0.03

Notes forming part of Financial Statement for the year ended 31st March, 2016

30.6 Details on derivatives instruments and unhedged foreign currency exposures

- I. The following forward contracts positions are open as at year end. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets. The accounting of these transactions is stated in Note (h) of Significant Accounting Policies.

Forward exchange contracts are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts entered into by the Company as at balance sheet date:

Currency	Amount	Buy / Sell	Cross currency
EURO	NIL (66,000)	Buy	₹
JPY	NIL (9,136,280)	Buy	₹
USD	911,092 (NIL)	Sell	₹

Note: Figures in () relates to the previous year

- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31st March, 2016		As at 31st March, 2015	
Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
₹ in lacs	(Amount in Foreign currency) (in lacs)	₹ in lacs	(Amount in Foreign currency) (in lacs)
Receivable			
1750.77	USD 26.39	1926.42	USD 30.83
79.25	EURO 1.06	88.13	EURO 1.24
223.57	JPY 378.54	533.28	JPY 1000.00
40.02	AED (DIRHAM) 2.22	66.04	AED (DIRHAM) 3.88
Payable			
201.96	USD 3.06	186.61	USD 2.99
5.36	EURO 0.07	0.71	EURO 0.01

30.7 Value of imports calculated on CIF basis :

	(₹ in lacs)	
	Current Year	Previous Year
Raw Materials	116.59	297.71
Stores and Spare parts	2,241.43	1,548.62
Capital Goods	814.57	1,657.15
Total	3,172.59	3,503.48

30.8 Expenditure in foreign currency (accrual basis) :

	(₹ in lacs)	
	Current Year	Previous Year
Travelling	98.22	38.87
Commission	154.74	90.76
Professional and Consultation Fees	107.31	57.97
Other matters	35.38	32.00
Total	395.65	219.60

30.9 Details of consumption of imported and indigenous items :

Notes forming part of Financial Statement for the year ended 31st March, 2016

	Current Year (Previous year)	
	₹ in lacs	%
Imported		
Raw materials	116.59	0.39%
	(396.49)	(1.77%)
Stores and spare parts	2,254.33	22.18%
	(1,686.83)	(20.31%)
Total	2,370.92	-
	(2,083.32)	
Indigenous		
Raw materials	29,868.66	99.61%
	(21,964.99)	(98.23%)
Stores and spare parts	7,911.09	77.82%
	(6,619.77)	(79.69%)
Total	37,779.75	-
	(28,584.76)	-

30.10 Earnings in foreign exchange:

	(₹ in lacs)	
	Current Year	Previous Year
Direct Export of goods calculated on FOB basis	13,155.67	12,538.24

30.11 Details of research and development expenditure recognised as expense

	(₹ in lacs)	
	Current Year	Previous Year
Employee benefits expense	60.87	55.29
Consumables	4.37	6.95
Repairs and Maintenance	12.32	12.79
Depreciation and amortisation expense	-	65.76
Total	77.56	140.79

- 30.12** a) Due to inadequacy of profit the remuneration paid to Shri Aniruddha Deshmukh Managing Director & Chief Executive Officer (Professional Director) is in excess of the limits specified under Section 197 of the Companies Act, 2013 read with Schedule V by ₹ 36.82 lacs. As required by the law necessary approvals are being / will be taken by the Company from the Shareholders and the Central Government.
- b) Due to inadequacy of profit during the year Shri Vishad P. Mafatlal (Vice-Chairman) has been paid remuneration with limits as prescribed under Schedule V of the Companies Act, 2013 and the same is subject to approval of the shareholders.

	(₹ in lacs)	
	Current Year	Previous Year
30.13 Project Development expenses capitalised during the year:		
Finance and other borrowing costs capitalised in CWIP	175.92	128.88

30.14 In an earlier year, the Company had sold part of its leasehold land at its Mazgaon unit. The Company is required to surrender 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.

30.15 Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Company are to be issued one equity share of ₹ 10/- each, fully paid-up, in SSL for every 500 shares of ₹ 100/- each, fully paid-up, held in the Company as consideration for the demerger, aggregating to ₹ 1.00 lac. As the shareholders

Notes forming part of Financial Statement for the year ended 31st March, 2016

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 ₹ 1.00 lac from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities.

30.16 Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company had fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and had adjusted an amount of ₹ 111.57 lacs (net of deferred tax of ₹ 57.45 lacs) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus of the previous year.

Note 31 Disclosures under Accounting Standards

	(₹ in Lacs)	
	Current Year	Previous Year
31.1 Details of leasing arrangements		
<u>As Lessor:</u>		
The Company has entered into non cancellable operating lease arrangements for certain premises. The tenure of such agreements ranges from eleven to sixty months.		
Future minimum lease payments		
not later than one year	444.52	446.80
later than one year and not later than five years	1,242.43	1,444.74
Total	1,686.95	1,891.54
Depreciation recognised on the leased assets	1.00	1.00
<u>As Lessee:</u>		
The Company has entered into operating lease arrangements for certain facilities and residence premises. The leases are non-cancellable and are for a period upto 9 years and may be renewed for a further period upto 3 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments upto 15% every 3 years. There are no sub-leases.		
Future minimum lease payments		
not later than one year	316.43	298.29
later than one year and not later than five years	1,236.23	1,422.43
later than five years	-	86.17
Total	1,552.66	1,806.89
Lease payments recognised in the Statement of Profit and Loss	338.19	321.64

	(₹ in Lacs)	
	Current Year	Previous Year
31.2 Earnings per share		
Net Profit for the year attributable to the equity shareholders	1,712.38	2,437.49
Weighted average number of equity shares outstanding during the year	139,12,886	139,12,886
Par value per share (₹)	10.00	10.00
Earnings per share - Basic and Diluted (₹)	12.31	17.52

31.3 Segment Information

As per the Accounting standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

Notes forming part of Financial Statement for the year ended 31st March, 2016

31.4 Employee benefit plans

a) Defined contribution plans

Contributions are made to Recognized Provident Fund / Government Provident Fund and Family Pension Fund which covers all regular employees. Contribution is also made in respect of executives to a Recognized Superannuation Fund. While both the employees and the Company make predetermined contributions to the Provident Fund, contribution to the Family Pension Fund and Superannuation Fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised during the year ₹ 472.65 lacs (Previous year ₹ 420.80 lacs) as Provident Fund Contribution, ₹ 228.96 lacs (Previous year ₹ 166.43 lacs) as Super Annuation Contribution and ₹ 104.85 lacs (Previous year ₹ 75.97 lacs) as Pension Fund Contribution.

b) Defined benefit plans

Contributions are made to a Recognized Gratuity Fund in respect of gratuity based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

	(₹ in Lacs)	
	Current Year	Previous Year
Components of employer expense		
Current service cost	145.22	120.96
Interest cost	239.23	252.08
Expected return on plan assets	(225.63)	(182.20)
Actuarial losses/(gains)	44.18	344.74
Total expense recognised in the Statement of Profit and Loss	203.00	535.58
Actual contribution and benefit payments for year		
Actual benefit payments	343.50	431.69
Actual contributions	250.50	953.16
Net Liability recognised in the Balance Sheet		
Present value of defined benefit obligation	(3,155.22)	(3,022.85)
Fair value of plan assets	3,028.78	2,848.91
Unrecognised past service costs	-	-
Net Liability recognised in the Balance Sheet	(126.44)	(173.94)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	(3,022.85)	(2,694.45)
Current service cost	(145.22)	(120.96)
Interest cost	(239.23)	(252.08)
Actuarial (gains) / losses	(91.42)	(387.04)
Benefits paid	343.50	431.69
Present value of DBO at the end of the year	(3,155.22)	(3,022.85)

Notes forming part of Financial Statement for the year ended 31st March, 2016

	(₹ in Lacs)	
	Current Year	Previous Year
Change in fair value of assets during the year		
Plan assets at beginning of the year	2,848.91	2,094.25
Expected return on plan assets	225.63	182.20
Actual company contributions	250.50	953.16
Actuarial gain	47.24	42.30
Benefits paid	(343.50)	(423.01)
Plan assets at the end of the year	3,028.78	2,848.91
Actual return on plan assets	272.87	224.50
Composition of the plan assets is as follows:		
Government bonds	41.74%	43.58%
PSU bonds	32.82%	31.72%
Others	3.35%	0.47%
Insurer Managed Funds	9.19%	11.07%
Deposits with Nationalised Banks	12.14%	13.16%
Mutual Funds	0.77%	-
Actuarial assumptions		
Discount rate	7.81% - 7.95%	7.90% - 8.08%
Expected return on plan assets	7.81% - 7.95%	7.90% - 8.08%
Salary escalation	4.00%	4.00%
Attrition	2.00%	2.00%
Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Estimate of amount of contribution in the immediate next year	302.58	384.05

Experience adjustments

	(₹ in lacs)				
Gratuity	Current Year ended 31st March, 2016	Previous Year 31st March, 2015	Previous Year 31st March, 2014	Previous Year 31st March, 2013	(9 months ended 31st March, 2012)
Experience (gain) / loss adjustments on plan liabilities	71.00	117.09	153.09	281.08	274.99
Experience gain / (loss) adjustments on plan assets	47.24	42.30	18.88	49.76	111.58

Long term Compensated absences

	Current Year	Previous Year
Actuarial assumptions		
Discount rate	7.81% - 7.95%	7.90% - 8.08%
Salary escalation	4.00%	4.00%
Attrition	2.00%	2.00%

Notes forming part of Financial Statement for the year ended 31st March, 2016

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

All the employees are eligible for compensated absences of 30 days in each financial year which can be encashed during the tenure of employment. Employees cannot carry forward any compensated absences in excess of 300 days. The provision for these absences, made on the basis of Actuarial Valuation on "Projected Unit Credit" method is ₹ 619.35 lacs (Previous year ₹ 657.30 lacs). Net charge for the year ₹ 223.75 lacs (Previous year ₹ 261.09 lacs).

Note 31.5

Related Parties transactions

Details of Related Parties

A Subsidiary Company

Mafatlal Services Limited

B Jointly Controlled Entity

AL Fahim Mafatlal Textiles LLC- A Joint Venture with Al Fahim Linez LLC- (UAE) (Refer Note no.31.6)

C Associates

—

D Key Management Personnel

Rajiv Dayal (till 12.08.2015)

V. P. Mafatlal

Aniruddha Deshkumh (From 13.08.2015)

E Enterprises over which key management personnel and their relatives are able to exercise significant influence

NOCIL Limited

Navin Flourine International Limited

Sulakshana Securities Limited

Krishnadeep Housing Development Private Limited

Mafatlal Impex Private Limited

Mafatlal Fabrics Private Limited

Aureole Clothing Private Limited

F Individual having significant influence

H.A. Mafatlal

G Relatives of Individual having significant influence

Priyavrata H. Mafatlal

H Enterprises over which Individual having significant influence and relatives of such individual are able to exercise significant influence.

Sukarma Investments Private Limited

Suremi Trading Private Limited

Silvia Apparel Limited

Mafatlal Global Apparel Limited (since 24.03.2015)

Altamount Product and Services Private Limited

Notes forming part of Financial Statement for the year ended 31st March, 2016

Details of transactions with related parties during the year:

(₹ in lacs)										
Nature of Transactions	Subsidiaries	Jointly Controlled Entity	Associates	Key Management Personnel	Relatives of Key Management Personnel	Enterprises over which key management personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individual are able to exercise significant influence	Total
Other Operation Revenues										100.87
										110.74
Sulakshana Securities Limited	-	-	-	-	-	6.36	-	-	-	6.36
	-	-	-	-	-	10.35	-	-	-	10.35
NOCIL Limited	-	-	-	-	-	15.68	-	-	-	15.68
	-	-	-	-	-	15.73	-	-	-	15.73
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	7.65	-	-	-	7.65
Navin Fluorine International Limited	-	-	-	-	-	78.83	-	-	-	78.83
	-	-	-	-	-	77.01	-	-	-	77.01
Rent from Property (Income)										-
										3.15
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.66	-	-	-	0.66
Mafatlal Fabrics Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	2.49	-	-	-	2.49
Interest Income										4.94
										43.46
Mafatlal Global Apparel Ltd	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	19.52	19.52
Mafatlal Impex Private Ltd.	-	-	-	-	-	3.31	-	-	-	3.31
	-	-	-	-	-	11.33	-	-	-	11.33
Sukarma Investments Private Limited	-	-	-	-	-	-	-	-	1.63	1.63
	-	-	-	-	-	-	-	-	10.24	10.24
Suremi Trading Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	2.37	2.37
Dividend Income										265.50
										168.61
NOCIL Ltd	-	-	-	-	-	230.36	-	-	-	230.36
	-	-	-	-	-	138.22	-	-	-	138.22
Navin Fluorine International Limited	-	-	-	-	-	35.14	-	-	-	35.14
	-	-	-	-	-	30.39	-	-	-	30.39
Receiving of Services (Expense)										75.08
										26.69
Mafatlal Services Limited	75.08	-	-	-	-	-	-	-	-	75.08
	26.69	-	-	-	-	-	-	-	-	26.69
Purchase of Goods & Services										28.26
										88.09
Mafatlal Global Apparel Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	43.91	43.91

Notes forming part of Financial Statement for the year ended 31st March, 2016

(₹ in lacs)										
Nature of Transactions	Subsidiaries	Jointly Controlled Entity	Associates	Key Management Personnel	Relatives of Key Management Personnel	Enterprises over which key management personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individual are able to exercise significant influence	Total
Mafatlal Fabrics Private Limited	-	-	-	-	-	27.93	-	-	-	27.93
	-	-	-	-	-	-	-	-	43.91	43.91
Navin Fluorine International Limited	-	-	-	-	-	0.33	-	-	-	0.33
	-	-	-	-	-	0.27	-	-	-	0.27
Sale of Goods & Services										9.80
										72.52
Mafatlal Impex Pvt Ltd.	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.06	-	-	-	0.06
AL Fahim Mafatlal Textiles LLC	-	-	-	-	-	-	-	-	-	-
	-	72.39	-	-	-	-	-	-	-	72.39
Navin Fluorine International Limited	-	-	-	-	-	8.70	-	-	-	8.70
	-	-	-	-	-	-	-	-	-	-
Nocil Limited	-	-	-	-	-	0.85	-	-	-	0.85
	-	-	-	-	-	-	-	-	-	-
Mafatlal Fabrics Private Limited	-	-	-	-	-	0.25	-	-	-	0.25
	-	-	-	-	-	-	-	-	-	-
Suremi Trading Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	0.07	0.07
Remuneration										454.99
										284.58
Priyavrata H. Mafatlal	-	-	-	-	-	-	-	25.68	-	25.68
	-	-	-	-	-	-	-	22.97	-	22.97
Vishad P. Mafatlal	-	-	-	126.15	-	-	-	-	-	126.15
	-	-	-	125.81	-	-	-	-	-	125.81
Aniruddha Deshmukh	-	-	-	122.39	-	-	-	-	-	122.39
	-	-	-	-	-	-	-	-	-	-
Rajiv Dayal	-	-	-	180.77	-	-	-	-	-	180.77
	-	-	-	135.80	-	-	-	-	-	135.80
Sitting Fees										2.00
										0.90
H.A. Mafatlal	-	-	-	-	-	-	2.00	-	-	2.00
	-	-	-	-	-	-	0.90	-	-	0.90
Sale of assets/ Sale of Uniforms										-
										5.77
Navin Fluorine International Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	5.77	-	-	-	5.77
Provision on investment during the year										-
										22.73
AL Fahim Mafatlal Textiles LLC	-	-	-	-	-	-	-	-	-	-
	-	22.73	-	-	-	-	-	-	-	22.73

Notes forming part of Financial Statement for the year ended 31st March, 2016

(₹ in lacs)										
Nature of Transactions	Subsidiaries	Jointly Controlled Entity	Associates	Key Management Personnel	Relatives of Key Management Personnel	Enterprises over which key management personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which individual having significant influence and relatives of such individual are able to exercise significant influence	Total
Provision for doubtful loans & advances during the year										-
										9.25
Silvia Apparel Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	9.25	9.25
Loans Given										2.25
										9.25
Silvia Apparel Limited	-	-	-	-	-	-	-	-	2.25	2.25
	-	-	-	-	-	-	-	-	9.25	9.25
Advance write off / adjusted against provision of doubtful Loans and advances including interest accrued										-
										151.05
Silvia Apparel Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	151.05	151.05
Repayment of Loan by										316.32
										487.50
Mafatlal Global Apparel Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	244.00	244.00
Sukarma Investments Private Limited	-	-	-	-	-	-	-	-	81.50	81.50
	-	-	-	-	-	-	-	-	82.00	82.00
Suremi Trading Private Limited	-	-	-	-	-	-	-	-	38.00	38.00
	-	-	-	-	-	-	-	-	106.50	106.50
Mafatlal Impex Pvt Ltd.	-	-	-	-	-	115.00	-	-	-	115.00
	-	-	-	-	-	55.00	-	-	-	55.00
Silvia Apparel Limited	-	-	-	-	-	-	-	-	2.25	2.25
	-	-	-	-	-	-	-	-	-	-
Rajiv Dayal	-	-	-	79.57	-	-	-	-	-	79.57
	-	-	-	-	-	-	-	-	-	-
Provision on Investment as at 31st March 2016										268.03
										268.03
Mafatlal Service Limited	245.30	-	-	-	-	-	-	-	-	245.30
	245.30	-	-	-	-	-	-	-	-	245.30
AL Fahim Mafatlal Textiles LLC	-	22.73	-	-	-	-	-	-	-	22.73
	-	22.73	-	-	-	-	-	-	-	22.73
Amount due from - as at March 31, 2016										655.60
										1,020.58
NOCIL Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.73	-	-	-	0.73
Mafatlal Impex Private Limited (Advances)	-	-	-	-	-	155.56	-	-	-	155.56
	-	-	-	-	-	267.25	-	-	-	267.25
Mafatlal Global Apparel Limited (Trade Receivable)	-	-	-	-	-	-	-	-	273.64	273.64
	-	-	-	-	-	-	-	-	288.64	288.64
Rajiv Dayal (Loan)	-	-	-	-	-	-	-	-	-	-
	-	-	-	79.57	-	-	-	-	-	79.57

Notes forming part of Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

Nature of Transactions	Subsidiaries	Jointly Controlled Entity	Associates	Key Management Personnel	Relatives of Key Management Personnel	Enterprises over which key management personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individual are able to exercise significant influence	Total
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	13.50	-	-	-	13.50
Sukarma Investments Private Limited	-	-	-	-	-	-	-	-	95.87	95.87
	-	-	-	-	-	-	-	-	175.74	175.74
Mafatlal Fabrics Private Limited	-	-	-	-	-	0.20	-	-	-	0.20
	-	-	-	-	-	-	-	-	-	-
AL Fahim Mafatlal Textiles LLC	-	38.91	-	-	-	-	-	-	-	38.91
	-	72.39	-	-	-	-	-	-	-	72.39
Navin Fluorine International Limited	-	-	-	-	6.66	-	-	-	-	6.66
	-	-	-	-	-	-	-	-	-	-
Suremi Trading Private Limited	-	-	-	-	-	-	-	-	84.76	84.76
	-	-	-	-	-	-	-	-	122.76	122.76
Amount due to - as at March 31, 2016										2.12
										9.44
Mafatlal Fabrics Private Limited	-	-	-	-	-	0.32	-	-	-	0.32
	-	-	-	-	-	-	-	-	-	-
Mafatlal Services Limited	1.80	-	-	-	-	-	-	-	-	1.80
	9.37	-	-	-	-	-	-	-	-	9.37
Navin Fluorine International Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	0.07	-	-	-	0.07

Figures in italics represents previous year figures.

31.6 Details of the Company's interest in Joint Venture

Interest in joint ventures

The Company has interests in the following joint venture - Jointly Controlled Entity (JCE):

₹

Name of joint venture and country of incorporation	% of interest / Ownership	Amount of interest based on accounts for the year ended 31st March, 2016 (₹ in Lacs)					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
Al Fahim Mafatlal Textile LLC, UAE	49	17.15	57.50	NIL	NIL	NIL	NIL
	(49)	(15.93)	(54.26)	(66.72)	(106.11)	(NIL)	(NIL)

Note: Figures in brackets relate to the previous year.

Notes forming part of Financial Statement for the year ended 31st March, 2016

Note 32

- 32.1** The Company has not made any remittances in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends paid to non-resident shareholders are as follows:

	Year ended 31st March, 2016	Year ended 31st March, 2015
Year to which Dividend relates	2014-15	2013-14
Number of non-resident shareholders	160	173
Number of shares held by them on which dividend is due	52,425	55,380
Amount remitted to bank accounts in India of non-resident shareholders - ₹ in lacs	1.57	1.66

- 32.2** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

Mumbai, 2nd May, 2016

Independent Auditor's Report

To the Members of Mafatlal Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MAFATLAL INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities 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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 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 and jointly controlled entity as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note no. 30.8 (a) to the financial statements regarding managerial remuneration for which the Central Government's approval is required.

Our opinion is not qualified in respect of this matter.

Other Matters

- a) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 48.22 lacs as at March 31, 2016, total revenues of ₹ 90.76 lacs and net cash flows amounting to ₹ (1.78) lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors.
- b) We did not audit the financial statements of a jointly controlled entity, whose financial statements reflect total assets of ₹ 17.15 lacs as at March 31, 2016, total revenues of ₹ Nil and

net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 report of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016

taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, none of the directors of the Group companies are disqualified as on March 31, 2016 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 over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Company and its subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary company's internal financial controls over financial reporting.
- 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 of pending litigations on the consolidated financial position of the Group and jointly controlled entity in accordance with the generally accepted accounting practice - also refer note 30.1 to the consolidated financial statements.
 - ii. The Group and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration Number 117364W)

(Ketan Vora)

(Partner)

(Membership Number. 100459)

Place: Mumbai

Date : 2nd May, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **MAFATLAL INDUSTRIES LIMITED** (hereinafter referred to as “the Holding Company”) and its subsidiary company, which is company incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company, which is the company incorporated in India, are 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 (“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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, which is company incorporated in India, in terms of its report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary company, which is the company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm’s Registration Number 117364W)

(**Ketan Vora**)

(Partner)

Place: Mumbai

Date : 2nd May, 2016

(Membership Number. 100459)

Consolidated Balance Sheet as at 31st March, 2016

		(₹ in lacs)	
	Note No.	As at 31st March, 2016	As at 31st March, 2015
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,391.22	1,391.22
(b) Reserves and surplus	4	36,202.79	34,992.77
		37,594.01	36,383.99
2 Minority interest		-	-
3 Non-current liabilities			
(a) Long-term borrowings	5	6,588.56	6,281.54
(b) Deferred tax liabilities (net)	6	477.17	305.67
(c) Other long term liabilities	7	358.91	276.93
(d) Long-term provisions	8	483.12	526.83
		7,907.76	7,390.97
4 Current liabilities			
(a) Short-term borrowings	9	14,223.49	7,212.25
(b) Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		83.11	49.15
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,251.31	19,111.97
(c) Other current liabilities	11	4,571.29	4,297.00
(d) Short-term provisions	12	1,523.23	1,800.39
		47,652.43	32,470.76
Total		93,154.20	76,245.72
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13(a)	21,274.89	16,426.08
(ii) Intangible assets	13(b)	68.69	87.72
(iii) Capital work-in-progress		915.90	3,580.38
		22,259.48	20,094.18
(b) Non-current investments	14	4,642.59	4,637.47
(c) Long-term loans and advances	15	6,341.38	6,006.20
(d) Other non-current assets	16	678.30	642.61
		33,921.75	31,380.46
2 Current assets			
(a) Inventories	17	15,310.38	12,235.09
(b) Trade receivables	18	31,193.35	19,926.96
(c) Cash and bank balances	19	9,957.02	10,736.38
(d) Short-term loans and advances	20	2,320.32	1,550.28
(e) Other current assets	21	451.38	416.55
		59,232.45	44,865.26
Total		93,154.20	76,245.72
Significant accounting policies	2		

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

(KETAN VORA)

Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

				(₹ in lacs)
	Note No.	Current year	Previous year	
1 Revenue from operations	22	132,308.74	101,345.63	
2 Other income	23	2,172.86	3,114.56	
3 Total revenue (1 + 2)		134,481.60	104,460.19	
4 Expenses				
(a) Cost of materials consumed	24(a)	29,985.25	22,361.48	
(b) Purchases of stock-in-trade (Trading Activity)	24(b)	58,872.11	42,720.30	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	24(c)	(2,413.05)	(313.55)	
(d) Employee benefits expense (Net)	25	12,178.08	9,783.29	
(e) Finance costs (Net)	26	2,116.12	1,684.15	
(f) Depreciation and amortization expense	27	2,119.18	1,672.83	
(g) Other expenses (Net)	28	29,740.03	24,942.28	
Total expenses		132,597.72	102,850.78	
5 Profit before exceptional items and tax (3 - 4)		1,883.88	1,609.41	
6 Exceptional items	29	-	898.63	
		-	898.63	
7 Profit before tax (5 + 6)		1,883.88	2,508.04	
8 Tax (expense) / benefit :				
(a) Current tax		(360.00)	(531.00)	
(b) MAT credit entitlement		360.00	515.00	
(c) Net current tax (expense) (a + b)		-	(16.00)	
(d) Deferred tax (charge)		(171.50)	(108.12)	
Net tax (expense) (c + d)		(171.50)	(124.12)	
9 Profit after tax before Share of Profit in Associate and Minority Interest for the year (7 + 8)		1,712.38	2,383.92	
Share of (Losses) in Associate		-	-	
Profit for the year		1,712.38	2,383.92	
10 Earnings per share (on face value of ₹ 10/- each) - (Refer Note no. 31.2)				
(a) Basic		12.31	17.13	
(b) Diluted		12.31	17.13	
Significant accounting policies	2			

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

(KETAN VORA)

Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Cash Flow Statement for the year ended 31st March, 2016

₹ In lacs

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
A. Cash flow from operating activities		
Net Profit after exceptional items and before tax as per the Statement of Profit and Loss	1,883.88	2,508.04
Adjustments for,		
Depreciation and amortization expense	2,119.18	1,672.83
Profit on sale of non current investments - Investment property - Exceptional item	-	(898.63)
Profit on sale / disposal of fixed assets	(491.13)	(560.18)
Finance costs on borrowings	2,162.26	1,642.27
Finance costs on borrowings TUF income	(262.73)	(194.80)
Finance costs on other than borrowings	216.59	236.68
Interest income	(963.78)	(1,021.12)
Dividend income	(272.72)	(191.23)
Provision for diminution in the value of long-term investments	-	20.50
Rental income on investment properties	(467.49)	(407.54)
Profit on sale of long-term investments other than investment properties	-	(1,077.41)
Loss on sale of fixed assets sold / scrapped / written off	50.07	33.42
Liabilities / provisions no longer required	(43.81)	(57.26)
Bad trade and other receivables / loans and advances written off (net)	20.25	14.54
Provision for doubtful debts / advances	18.46	19.44
Net unrealised exchange loss / (gain)	5.64	10.21
Operating profit before working capital changes	3,974.67	1,749.76
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(3,075.29)	134.76
Trade receivables	(11,310.74)	(6,004.03)
Short-term loans and advances	(770.04)	142.61
Long-term loans and advances	(27.67)	(1,231.68)
Other current assets	(34.83)	14.89
Other non-current assets	(35.69)	(43.53)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Short-term provisions	(50.22)	8.60
Long-term provisions	(43.71)	(424.32)
Interest accrued and due on other than borrowings	(167.58)	(44.20)
Other current liabilities	(7.57)	215.91
Other long-term liabilities	81.98	14.65
Trade and other payables	8,217.11	6,439.49
	(7,224.25)	(776.85)
Cash (used in) / generated from operations	(3,249.58)	972.91
Net income tax (paid) / refunds	(366.12)	(245.60)
Net cash (used in) / generated from operating activities	(3,615.70)	727.31

Cash Flow Statement for the year ended 31st March, 2016

₹ In lacs

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
B. Cash flow from investing activities		
Purchase of fixed assets and capital work-in-progress (including capital advances)	(4,599.61)	(4,727.01)
Sale of fixed assets	498.70	531.67
Purchase of non-current investments	(9.00)	(25.08)
Sale of non-current investments - Investment properties	-	903.00
Dividend income from long-term investments	272.72	191.23
Rental income on investment properties	467.49	407.54
Interest income	963.78	1,025.99
Other bank balances not considered as cash and cash equivalents	306.41	(153.52)
Sale of non-current investments - Other than investment properties	77.00	1,127.40
Net cash (used in) investing activities	(2,022.51)	(718.78)
C. Cash flow from financing activities		
Finance costs	(2,064.09)	(1,651.17)
Proceeds from short-term borrowings	7,011.24	486.73
Proceeds / (repayments) from long-term borrowings	706.44	2,027.90
Dividend paid	(417.39)	(417.39)
Tax on dividend	(70.94)	(70.94)
Net cash generated from financing activities	5,165.26	375.13
Net increase / (decrease) in cash and cash equivalents	(472.95)	383.66
Cash and cash equivalents at the beginning of the year	1,057.46	673.80
Cash and cash equivalents at the end of the year (Refer Note no. 19)	584.51	1,057.46
See accompanying notes forming part of the financial statements		

In terms of our report attached.

For DELOITTE HASKINS & SELLS

Chartered Accountants

Registration No. 117364W

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

(KETAN VORA)

Partner

Membership No. 100459

Mumbai, 2nd May, 2016

Mumbai, 2nd May, 2016

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

1. Corporate Information

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 Mumbai 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 units at Nadiad and Navsari.

2. Significant Accounting Policies

a. Basis of accounting and preparation of Financial Statements

The consolidated financial statements of the Company and its subsidiaries and jointly controlled entity (together the 'Group') have been prepared and presented in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidation financial statements are consistent with those followed in the previous year.

b. Principles of Consolidation

The consolidated financial statements relate to Mafatlal Industries Limited (the Company), its subsidiary company and jointly controlled entity. The consolidated financial statements have been prepared on the following basis.

The subsidiaries are consolidated on a line-by-line basis adding together like items of assets, liabilities, income and expenses in accordance with Accounting Standard -21 on "Consolidated Financial Statements". Inter- company transactions and balances are eliminated on consolidation.

Investments in Associates are accounted for using the Equity Method in accordance with Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements". Unrealised profits and losses resulting from transactions between the Company and the Associates are eliminated to the extent of the Company's interest in the Associates.

Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures.

Goodwill arising on consolidation is not amortised but tested for impairment.

c. Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

d. Inventories

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

e. Depreciation on tangible fixed assets

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Plant and Machinery, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

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

f. Revenue recognition

Revenue including other income is recognized when no significant uncertainty as to its' determination or realization exists.

g. Export Benefits

Export Benefits available under prevalent schemes are accrued in the year when the right to receive credit as per the terms of the scheme is established in respect of exports made and are accounted to the extent there is no significant uncertainty about the measurability and ultimate realization / utilization of such benefits.

h. Fixed Assets (Tangible / Intangible)

Fixed assets are recorded at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation, amortization and impairment loss, if any.

Capital Work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

i. Foreign currency transactions and translations

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency and forward exchange contracts are reported using closing rates of exchange. Exchange differences arising thereon and on realization / payment of foreign exchange are accounted, in the relevant year, as income or expense.

In case of forward exchange contracts, or other financial instruments that are in substance forward exchange contracts, the premium or discount arising at the inception of the contracts is amortized as expense or income over the life of the contracts. Gains / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognized as income or expense.

j. Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated where applicable in accordance with the policy stated for fixed assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

k. Cash flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

l. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

m. Employee benefits

a. The Company contributes towards Employees State Insurance Scheme, Provident Fund, Family Pension Fund and Superannuation Fund which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution as required to be made under the statutes / rules.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

- b. Gratuity liability, a defined benefit scheme, and provision for compensated absences are accrued and provided for on the basis of actuarial valuations made at the year end.

n. Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

o. Operating Lease

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as Operating Lease. Operating Lease receipts and payments are recognized as income or expense, as the case may be, in the Statement of Profit and Loss on a straight-line basis over the lease term.

p. Taxes on income

Tax expenses comprise both current and deferred tax at the applicable enacted / substantively enacted rates. Current tax represents the amount of Income tax payable / recoverable in respect of the taxable income / loss for the reporting period.

Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or are substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

q. Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

r. Impairment of assets

Impairment loss is provided to the extent the carrying amount of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

s. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are not recognised in the financial statements.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

t. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

u. Operating Cycle

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

v. Government grants and subsidies

Grants and subsidies from the Government are recognized when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

The grant or subsidy that relates to interest expenses is recognized as income over the periods necessary to match them on a systematic basis to the interest costs, which it is intended to compensate. The grant or subsidy relating to the fixed assets is deducted in arriving at the carrying amount of the related fixed asset.

3 SHARE CAPITAL

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in lacs	Number of shares	₹ in lacs
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	14,245,081	1,424.51	14,245,081	1,424.51
Unclassified shares of ₹ 10 each	85,754,919	8,575.49	85,754,919	8,575.49
		10,000.00		10,000.00
(b) Issued				
Equity shares of ₹ 10/- each with voting rights	13,912,886	1,391.28	13,912,886	1,391.28
(c) Subscribed and fully paid up				
(i) Equity shares of ₹ 10/- each with voting rights	13,912,886	1,391.28	13,912,886	1,391.28
Less: Allotment money / Calls in arrears		0.06		0.06
Total		1,391.22		1,391.22

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	Amount (₹ in lacs)	Number of shares	Amount (₹ in lacs)
(i) Equity shares with voting rights				
Opening balance	13,912,886	1,391.28	13,912,886	1,391.28
Less: Allotment money / Calls in arrears	-	0.06	-	0.06
Closing balance	13,912,886	1,391.22	13,912,886	1,391.22

b. Terms / rights attached to Equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 10/- per share. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended 31st March, 2016, the amount of dividend, per share, recognized as distributions to equity shareholders is ₹ 3/- (Previous year ended 31st March, 2015 ₹ 3/-).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

c. Details of shares held by each shareholder holding more than 5% shares in the Company:

Equity shares of ₹ 10/- each fully paid Name	31st March, 2016		31st March, 2015	
	Nos.	% holding	Nos.	% holding
Navin Fluorine International Limited	1,774,707	12.76	1,774,707	12.76
V. P. Mafatlal	1,212,316	8.72	1,212,316	8.72
Rupal V. Mafatlal	1,203,465	8.65	1,203,465	8.65
Altamount Products and Services Private Limited	1,064,443	7.65	1,064,443	7.65
Sukarma Investments Private Limited	839,173	6.03	839,173	6.03
H. A. Mafatlal	826,803	5.94	826,803	5.94
Rekha H. Mafatlal	804,283	5.78	804,283	5.78

d. In terms of Modified Scheme (MS) approved by BIFR in June 2009, 60,000,000 Fully Redeemable Non-Cumulative Preference Shares of ₹ 10/- each were redeemable over a period of eight years as a subordinated liability to the dues of workers, statutory agencies and the secured creditors. Preference shares redeemed by the Company during the period of five years immediately preceding the reporting date:

	Nos.	₹ In lacs
As at 31st March, 2016	60,000,000	6,000.00
As at 31st March, 2015	60,000,000	6,000.00
As at 31st March, 2014	60,000,000	6,000.00
As at 31st March, 2013	30,000,000	3,000.00
As at 31st March, 2012	30,000,000	3,000.00

e. Aggregate number of Equity shares issued for consideration other than cash during five years immediately preceding the reporting date:

- (i) During the year 2010-11, 30,000,000 Optionally Convertible Fully Redeemable Non-Cumulative Preference Shares of ₹ 10/- each were converted into 4,813,860 Equity shares of ₹ 10/- each of the Company at a premium of ₹ 52.32 per equity share.
- (ii) During the year 2013-14, 4,099,415 Equity shares of ₹ 10/- each fully paid-up have been issued to shareholders of erstwhile Mafatlal Denim Limited, as consideration on merger with the Company.

f. Calls unpaid (by other than officers and directors)

	As at 31st March, 2016 ₹ In lacs	As at 31st March, 2015 ₹ In lacs
Calls Unpaid	0.06	0.06

g. During 1987-88, 535,000 shares (of ₹ 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.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

4 RESERVES AND SURPLUS

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
(a) Capital Reserve no. 1		
Opening balance	61.16	61.16
(b) Capital Reserve no. 2		
Opening balance	41.62	41.62
(c) Capital Reserve on Amalgamation		
Opening balance	3,634.48	3,634.48
(d) Capital Redemption Reserve		
Opening balance	8,383.14	8,383.14
(e) Securities Premium Account		
Opening balance	17,452.07	17,452.07
(f) Capital Investment Reserve:		
(Non-taxable excess of sale proceeds over book value)		
Opening balance	75.96	75.96
(g) Investment Reserve:		
(Taken over from Mafatlal Gagalbhai and Company Private Limited from 01-04-1972 on Amalgamation)		
Opening balance	1.78	1.78
(h) Export Profit Reserve		
(Taken over from erstwhile The Mafatlal Fine Spinning and Manufacturing Co. Ltd. on Amalgamation)		
Opening balance	20.00	20.00
(i) General Reserve		
Opening balance	620.00	620.00
(j) Surplus in the Statement of Profit and Loss		
Opening balance	4,702.56	2,932.57
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with NIL remaining useful life (Net of deferred tax) (Refer Note no. 30.12)	-	111.57
	4,702.56	2,821.00
Add: Profit for the year	1,712.38	2,383.92
	6,414.94	5,204.92
Less: Appropriations		
Dividends proposed to be distributed to equity shareholders	(417.39)	(417.39)
[Dividend per share ₹ 3/- (Previous year ₹ 3/-)]		
Tax on Dividend	(84.97)	(84.97)
Total appropriations	(502.36)	(502.36)
Closing balance	5,912.58	4,702.56
Total	36,202.79	34,992.77

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

5 LONG-TERM BORROWINGS

	As at 31st March, 2016	As at 31st March, 2015
Term loans		
From Banks - Secured [Refer Note no.(ii)]	6,070.89	5,392.66
From Banks - Secured - Loan for Vehicles [Refer Note no.(iii)]	115.83	107.63
From Others - Secured [Refer Note no.(iv)]	401.84	779.75
Other loans and advances		
Unsecured loans from others	-	1.50
Total	6,588.56	6,281.54

- (i) For Current maturities of Long Term Borrowings; Refer Note no.11(a) - Other Current Liabilities.
- (ii) (a) Term loans of ₹ 1,764.15 lacs (Previous year ₹ 2,619.15 lacs) from a bank are repayable in quarterly installments till March 2018. These loans are secured by a pari-passu mortgage / hypothecation charge on certain Fixed Assets, including leasehold land and hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loans carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 14.25% to 14.90% p.a. (Previous year 14.90% to 15.00% p.a.).
- (ii) (b) Term loan of ₹ 536.47 lacs (Previous year ₹ NIL) from a bank are repayable in quarterly installments beginning from June, 2017 till May, 2022 after a moratorium period of 15 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and pari-passu second charge on certain current assets of the Company. The loan carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was 12.25% p.a. (Previous year Not Applicable).
- (ii) (c) Term loan of ₹ 2,499.99 lacs (Previous year ₹ 1,814.62 lacs) from a bank are repayable in monthly installments beginning from September, 2016 till August, 2021 after a moratorium period of 24 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and pledge of Equity shares owned by the Company. The loan carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 14.25% to 14.50% p.a. (Previous year 14.00% to 14.50% p.a.).
- (ii) (d) Term loan of ₹ 2,457.63 lacs (Previous year ₹ 1,813.88 lacs) from a bank are repayable in monthly installments beginning from December, 2016 till December, 2021 after a moratorium period of 24 months. The loan is secured by mortgage / hypothecation charge on certain Fixed Assets and second charge on certain current assets of the Company. The loan carry interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the year was in the range of 12.50% to 13.50% p.a. (Previous year 13.50% to 13.75% p.a.).
- (iii) Loans for Vehicles from Banks is repayable in monthly installments and the same is secured by hypothecation of respective vehicles. The effective rate of interest for the year was in the range of 10.50% to 11.00% p.a. (Previous year 10.50% to 11.00 % p.a.).
- (iv) (a) Term loan of ₹ 464.25 lacs (Previous year ₹ 689.25 lacs) from a Financial Institution is repayable in quarterly installments till March, 2018. The loan is secured by a pari-passu mortgage / hypothecation charge on the Company's certain Fixed Assets, including leasehold land and hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loan carry an interest linked to the lenders' Prime Lending Rates. The effective rate of interest for the current year was at 12.70% to 13.25% p.a. (Previous year 13.25% to 16.75% p.a.).
- (iv) (b) Term loan of ₹ 315.50 lacs (Previous year ₹ 468.41 lacs) from a Financial Institution is repayable in quarterly installments till March, 2018. The loan is secured by pari-passu hypothecation charge on certain current assets of the Company and pledge by promoters / promoter companies of certain shareholding in the Company. The loan carries interest @ 12.70% to 13.25% p.a. (Previous year 12.25% to 13.25% p.a.).

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

6 DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	3,363.86	2,178.75
Tax effect of items constituting deferred tax liability	3,363.86	2,178.75
Tax effect of items constituting deferred tax assets		
Provision for doubtful debts / advances and lease equalisation reserve (net)	37.67	54.08
Disallowances under Sections 35DDA, 40(a)(i), 43B of the Income Tax Act, 1961	712.93	887.78
Unabsorbed carried forward depreciation	2,136.09	931.22
Tax effect of items constituting deferred tax assets	2,886.69	1,873.08
Net deferred tax liability (net)	477.17	305.67

7 OTHER LONG-TERM LIABILITIES

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
(i) Trade / Security deposits received	249.85	225.16
(ii) Interest accrued on others (Refer Note no.30.5)	109.06	51.77
Total	358.91	276.93

8 LONG-TERM PROVISIONS

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
Provision for employee benefits		
(i) Provision for Compensated absences (Refer Note no. 31.4)	483.12	522.45
(ii) Provision for Gratuity (Refer Note no. 31.4)	-	4.38
Total	483.12	526.83

9 SHORT-TERM BORROWINGS

	As at 31st March, 2016	As at 31st March, 2015
(₹ in lacs)		
Loans repayable on demand		
From Banks		
(i) Secured * - Overdraft facility from Banks	7,529.39	3,171.44
(ii) Secured ** - Cash credit from Banks	6,694.10	4,040.81
Total	14,223.49	7,212.25

* Secured against Fixed Deposits of ₹ 8,354.30 lacs, maturing on various dates, last date of maturity 15th March, 2017 (Previous year: ₹ 7,372.79 lacs, last date of maturity 15th March, 2016).

** Cash credit facility are secured by hypothecation of certain stocks and book debts both present and future of the Company, second charge on certain fixed assets of the Company and pledge of investments held by the Company. The cash credit is repayable on demand and carry an interest @ 12.00% to 14.10% p.a. (Previous year 12.75% to 14.50% p.a.).

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

10 TRADE PAYABLES

	As at 31st March, 2016	As at 31st March, 2015
(a) Total outstanding dues of micro enterprises and small enterprises	83.11	49.15
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	27,230.40	19,092.23
(c) Total outstanding dues of creditors other than micro enterprises and small enterprises - Share of jointly controlled entity	20.91	19.74
Total	27,334.42	19,161.12

11 OTHER CURRENT LIABILITIES

	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of long-term debt (Refer Note no. 5 - Long Term Borrowings for details of securities)		
(i) From Banks - Secured	1,187.35	855.00
(ii) From Banks - Secured Loans for Vehicles	47.92	34.38
(iii) From Financial Institutions - Secured	377.91	377.91
(b) Interest accrued but not due on borrowings	91.62	39.59
(c) Unclaimed dividends	20.66	14.72
(d) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	611.77	566.43
(ii) Payables on purchase of fixed assets	-	45.96
(iii) Interest accrued on other than borrowings	711.70	879.28
(iv) Trade / security deposits received	48.35	44.72
(v) Advances from customers	365.09	448.09
(vi) Other advances (Refer Note no. 30.5)	577.89	577.89
(vii) Others (including dues for Voluntary Retirement Scheme, electricity dues, etc.)	433.02	332.41
(viii) Lease rent / utilities equilisation on expense	98.01	80.62
Total	4,571.29	4,297.00

12 SHORT-TERM PROVISIONS

	As at 31st March, 2016	As at 31st March, 2015
(a) Provision for employee benefits		
(i) Provision for Compensated absences (Refer Note no.31.4)	139.92	142.64
(ii) Provision for Gratuity (Refer Note no. 31.4)	126.44	173.94
	266.36	316.58
(b) Provisions - Others		
(i) Provision for tax (net of advance tax ₹ 1,290.75 lacs (As at 31st March, 2015 ₹ 11,125.65 lacs))	754.00	980.71
(ii) Provision for Fringe Benefit Tax (net of advance tax ₹ 39.05 lacs (As at 31st March, 2015 ₹ 39.05 lacs))	0.40	0.40
(iii) Provision for Wealth Tax (net)	0.11	0.34
(iv) Provision for Proposed Equity dividend	417.39	417.39
(v) Provision for tax on Proposed dividend	84.97	84.97
	1,256.87	1,483.81
Total	1,523.23	1,800.39

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

Note 13a Fixed assets

(₹ in lacs)

A.	Tangible assets	Gross block							
		Balance as at 1st April, 2015	Additions	Additions on account of joint ventures	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31st March, 2016
(a) Land									
	Freehold	21.08	-	-	-	-	-	-	21.08
	(Previous year)	(21.08)	-	-	-	-	-	-	(21.08)
	Leasehold	0.08	-	-	-	-	-	-	0.08
	(Previous year)	(0.08)	-	-	-	-	-	-	(0.08)
		21.16	-	-	-	-	-	-	21.16
	(Previous year)	(21.16)	-	-	-	-	-	-	(21.16)
(b) Buildings									
	Own use	4,740.22	379.37	-	22.73	-	-	-	5,096.86
	(Previous year)	(4,333.59)	(423.30)	-	(16.67)	-	-	-	(4,740.22)
	Given under operating lease	63.60	-	-	-	-	-	-	63.60
	(Previous year)	(63.60)	-	-	-	-	-	-	(63.60)
		4,803.82	379.37	-	22.73	-	-	-	5,160.46
	(Previous year)	(4,397.19)	(423.30)	-	(16.67)	-	-	-	(4,803.82)
(c) Plant and equipment									
	Owned	43,371.45	6,174.99	-	3,025.43	-	-	-	46,521.01
	(Previous year)	(42,483.58)	(1,889.51)	-	(1,001.64)	-	-	-	(43,371.45)
		43,371.45	6,174.99	-	3,025.43	-	-	-	46,521.01
	(Previous year)	(42,483.58)	(1,889.51)	-	(1,001.64)	-	-	-	(43,371.45)
(d) Furniture and fixtures									
	Owned	527.83	293.06	-	9.32	0.07	-	-	811.64
	(Previous year)	(419.80)	(130.49)	-	(22.46)	-	-	-	(527.83)
		527.83	293.06	-	9.32	0.07	-	-	811.64
	(Previous year)	(419.80)	(130.49)	-	(22.46)	-	-	-	(527.83)
(e) Vehicles									
	Owned	428.19	121.64	-	87.70	-	-	-	462.13
	(Previous year)	(358.12)	(94.85)	-	(24.78)	-	-	-	(428.19)
		428.19	121.64	-	87.70	-	-	-	462.13
	(Previous year)	(358.12)	(94.85)	-	(24.78)	-	-	-	(428.19)
(f) Office equipment									
	Owned	695.23	96.62	-	7.74	-	-	-	784.11
	(Previous year)	(843.73)	(36.78)	(1.35)	(186.63)	-	-	-	(695.23)
		695.23	96.62	-	7.74	-	-	-	784.11
	(Previous year)	(843.73)	(36.78)	(1.35)	(186.63)	-	-	-	(695.23)
(g) Leasehold improvements									
	Owned	256.82	-	-	-	-	-	-	256.82
	(Previous year)	(256.82)	-	-	-	-	-	-	(256.82)
		256.82	-	-	-	-	-	-	256.82
	(Previous year)	(256.82)	-	-	-	-	-	-	(256.82)

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

A. Tangible assets	Gross block								Balance as at 31st March, 2016
	Balance as at 1st April, 2015	Additions	Additions on account of joint ventures	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments		
(h) Railway sidings									
Owned	2.70	-	-	-	-	-	-	-	2.70
(Previous year)	(2.70)	-	-	-	-	-	-	-	(2.70)
	2.70	-	-	-	-	-	-	-	2.70
(Previous year)	(2.70)	-	-	-	-	-	-	-	(2.70)
Total	50,107.20	7,065.68	-	3,152.92	0.07	-	-	-	54,020.03
(Previous year)	(48,783.10)	(2,574.93)	(1.35)	(1,252.18)	-	-	-	-	(50,107.20)

Note 13a Fixed assets (contd.)

(₹ in lacs)

A Tangible assets	Accumulated depreciation and impairment					Balance as at 31st March, 2016	Net block	
	Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Depreciation/ amortisation expense for the year on account of joint ventures	Eliminated on disposal of assets	Other adjustments		Balance as at 31st March, 2016	Balance as at 31st March, 2015
(a) Land								
Freehold	-	-	-	-	-	-	21.08	21.08
(Previous year)	-	-	-	-	-	-	(21.08)	
Leasehold	-	-	-	-	-	-	0.08	0.08
(Previous year)	-	-	-	-	-	-	(0.08)	
	-	-	-	-	-	-	21.16	21.16
(Previous year)	-	-	-	-	-	-	(21.16)	
(b) Buildings								
Own use	2,206.89	103.45	-	22.73	-	2,287.61	2,809.25	2,533.33
(Previous year)	(2,016.04)	(94.41)	-	(11.94)	(108.38)	(2,206.89)	(2,533.33)	
Given under operating lease	16.31	1.00	-	-	-	17.31	46.29	47.29
(Previous year)	(15.31)	(1.00)	-	-	-	(16.31)	(47.29)	
	2,223.20	104.45	-	22.73	-	2,304.92	2,855.54	2,580.62
(Previous year)	(2,031.35)	(95.41)	-	(11.94)	(108.38)	(2,223.20)	(2,580.62)	
(c) Plant and equipment								
Owned	30,434.77	1,785.55	-	2,949.07	-	29,271.25	17,249.76	12,936.68
(Previous year)	(30,025.48)	(1,340.83)	-	(958.30)	(26.76)	(30,434.77)	(12,936.68)	
	30,434.77	1,785.55	-	2,949.07	-	29,271.25	17,249.76	12,936.68
(Previous year)	(30,025.48)	(1,340.83)	-	(958.30)	(26.76)	(30,434.77)	(12,936.68)	
(d) Furniture and fixtures								
Owned	236.80	48.31	-	4.95	-	280.16	531.48	291.03
(Previous year)	(225.47)	(31.66)	(0.58)	(21.96)	1.05	(236.80)	(291.03)	
	236.80	48.31	-	4.95	-	280.16	531.48	291.03
(Previous year)	(225.47)	(31.66)	(0.58)	(21.96)	1.05	(236.80)	(291.03)	

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

A Tangible assets	Accumulated depreciation and impairment					Net block		
	Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Depreciation/ amortisation expense for the year on account of joint ventures	Eliminated on disposal of assets	Other adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(e) Vehicles								
Owned	133.99	51.87	-	34.82	-	151.04	311.09	294.20
(Previous year)	(104.32)	(50.48)	-	(21.07)	(0.26)	(133.99)	(294.20)	
	133.99	51.87	-	34.82	-	151.04	311.09	294.20
(Previous year)	(104.32)	(50.48)	-	(21.07)	(0.26)	(133.99)	(294.20)	
(f) Office equipment								
Owned	572.23	61.86	-	6.71	-	627.38	156.73	123.00
(Previous year)	(639.62)	(85.54)	(1.11)	(186.47)	32.43	(572.23)	(123.00)	
	572.23	61.86	-	6.71	-	627.38	156.73	123.00
(Previous year)	(639.62)	(85.54)	(1.11)	(186.47)	32.43	(572.23)	(123.00)	
(g) Leasehold improvements								
Owned	77.56	30.26	-	-	-	107.82	149.00	179.26
(Previous year)	(47.30)	(30.26)	-	-	-	(77.56)	(179.26)	
	77.56	30.26	-	-	-	107.82	149.00	179.26
(Previous year)	(47.30)	(30.26)	-	-	-	(77.56)	(179.26)	
(h) Railway sidings								
Owned	2.57	-	-	-	-	2.57	0.13	0.13
(Previous year)	(2.57)	-	-	-	-	(2.57)	(0.13)	
	2.57	-	-	-	-	2.57	0.13	0.13
(Previous year)	(2.57)	-	-	-	-	(2.57)	(0.13)	
Total	33,681.12	2,082.30	-	3,018.28	-	32,745.14	21,274.89	16,426.08
(Previous year)	(33,076.11)	(1,634.18)	(1.69)	(1,199.74)	(168.88)	(33,681.12)	(16,426.08)	

Note:

- Buildings include ₹ 12.86 lacs (Previous year ₹ 12.86 lacs) being the cost of ownership premises in a co-operative society, including cost of shares received for the face value of ₹ 2500/-, under the bye-laws of the society.
- The Company is in the process of getting expired leases renewed.

Note 13b Fixed assets

(₹ in lacs)

A.	Intangible assets	Gross block						Balance as at 31st March, 2016
		Balance as at 1st April, 2015	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	
(a) Computer software								
Owned		132.99	13.95	-	-	-	-	146.94
(Previous year)		(118.34)	(10.62)	-	-	-	(4.03)	(132.99)
Total		132.99	13.95	-	-	-	-	146.94
(Previous year)		(118.34)	(10.62)	-	-	-	(4.03)	(132.99)

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

A	Intangible assets	Accumulated depreciation and impairment				Net block		
		Balance as at 1st April, 2015	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(a)	Computer software							
	Owned	45.27	32.98	-	-	78.25	68.69	87.72
	(Previous year)	(8.02)	(33.08)	-	(4.17)	(45.27)	(87.72)	
	Total	45.27	32.98	-	-	78.25	68.69	87.72
	(Previous year)	(8.02)	(33.08)	-	(4.17)	(45.27)	(87.72)	

14 INVESTMENTS (LONG-TERM)

Non Current Investments		As at 31st March , 2016		As at 31st March , 2015	
		₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
a)	Investment Properties		45.86		49.74
b)	Equity Instruments	4,593.84		4,584.84	
	Less : Share of Losses in Associates	-	4,593.84	-	4,584.84
c)	Government Securities		2.89		2.89
d)	Debentures and Bonds		20.50		20.50
e)	Mutual Funds		-		-
	Less : Provision for Diminution		(20.50)		(20.50)
			4,642.59		4,637.47

(₹ in lacs)

	Cost	Market Value
Aggregate value of quoted investments	4,553.81	13,981.79
	4,553.81	10,389.86
Aggregate value of unquoted investments	88.78	
	83.66	
Total	4,642.59	
	4,637.47	

Figures in italics are as at 31st March, 2015

Note: 1

(₹ in lacs)

	As at 31st March, 2016	As at 31st March, 2015
Investment in Properties		
Gross Block		
Balance as per last Balance Sheet	72.61	76.98
Less: Deduction during the year	-	4.37
	72.61	72.61
Less : Accumulated Depreciation		
Balance as per last Balance Sheet	22.87	18.99
Add: Depreciation for the year	3.88	3.88
	26.75	22.87
Net Block	45.86	49.74

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

15 LONG-TERM LOANS AND ADVANCES

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(a) Capital advances		
Unsecured, considered good	1,452.58	1,502.34
(b) Security deposits		
Unsecured, considered good	807.99	752.69
(c) Loans and advances to related parties (Refer Note no. 31.5) (See note below)		
Unsecured, considered good	336.19	621.95
(d) Loans and advances to employees		
Secured, considered good		
Unsecured, considered good	-	17.09
(e) Prepaid expenses	1.51	1.82
Unsecured, considered good (Insurance premium, Annual maintenance contracts, etc.)		
(f) Advance income tax (net of provisions ₹ 12,596.65 lacs (As at 31st March, 2015 ₹ 1,550.85 lacs)) - Unsecured, considered good	1,834.66	1,525.65
(g) MAT credit entitlement	1,231.00	871.00
(h) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	133.26	133.16
(ii) VAT credit receivable	8.67	25.70
(iii) Service Tax credit receivable	254.35	244.10
(iv) Deposit with Excise authorities in Escrow account	232.31	232.25
	628.59	635.21
Unsecured, considered doubtful		
Deposit with Excise authorities	31.45	31.45
Less: Provision for doubtful loans and advances	(31.45)	(31.45)
	628.59	635.21
(i) Other loans and advances		
Unsecured, considered good		
(i) Deposits recoverable from parties	9.33	38.36
(ii) Lease rent / utilities equalisation of income	39.53	40.09
	48.86	78.45
Total	6,341.38	6,006.20

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
Note: Long-term loans and advances include amounts due from:		
Director	-	56.20
Private companies in which atleast one of the directors is a director or member:		
Mafatlal Impex Private Limited	155.56	267.25
Suremi Trading Private Limited	84.76	122.77
Sukarma Investments Private Limited	95.87	175.73
Total	336.19	621.95

16 OTHER NON CURRENT ASSETS

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(a) Accruals		
(i) Interest accrued on deposits	3.91	3.91
(ii) Interest accrued on loans to staff	-	17.17
(b) Others		
(i) Balances with Banks in earmarked accounts (Refer Note no. 30.5)	674.39	621.53
Total	678.30	642.61
Other Non-current assets include amounts due from:		
Director	-	17.17

17 INVENTORIES (at lower of cost and net realizable value)

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(a) Raw materials	1,793.52	1,147.22
(b) Work-in-progress	6,780.23	6,729.27
(c) Finished goods (Other than those acquired for trading)	4,616.12	2,279.07
(d) Stock in trade (Acquired for trading) includes material in transit ₹ NIL (Previous year ₹ 53.47 lacs)	1,333.40	1,308.36
(e) Stores and spares	725.14	709.20
(f) Others (Land) (Refer Note no. 30.10)	61.97	61.97
Total	15,310.38	12,235.09
Note: Details of Inventories of Work-in-progress:		
Cotton & Fibre	323.41	314.84
Yarn	2,857.77	2,037.12
Fabrics	3,599.05	4,196.39
Others	-	180.92
	6,780.23	6,729.27

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

18 TRADE RECEIVABLES

	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	1,931.92	1,704.14
Doubtful	105.63	87.16
	2,037.55	1,791.30
Less: provision for doubtful trade receivables	(105.63)	(87.16)
	1,931.92	1,704.14
Other Trade receivables		
Trade receivables - Share of jointly controlled entity considered good	5.64	5.32
Unsecured, considered good	29,255.79	18,217.50
	29,261.43	18,222.82
Total	31,193.35	19,926.96
Includes debts dues from:-		
Private companies in which atleast one of the directors is a director or member:		
Krishnadeep Housing Development Private Limited	-	13.50
Cebon Apparel Private Limited	13.23	15.93
Tropical Clothing Company Private Limited	9.64	21.22
Total	22.87	50.65

19 CASH AND BANK BALANCE

	As at 31st March, 2016	As at 31st March, 2015
A Cash and Cash equivalents (As per AS-3 Cash Flow Statements)		
(a) Cash on hand	16.28	18.86
(b) Cheques on hand	7.44	47.86
(c) Balances with banks:		
(i) In Current accounts	553.69	979.74
(ii) In deposit accounts - Original maturity of 3 months or less	7.10	11.00
Total - Cash and cash equivalents (As per AS-3 Cash Flow Statements) (A)	584.51	1,057.46
B Other bank balances		
(i) In Other deposit accounts - original maturity more than 3 months (Refer note ii(a))	55.40	884.10
(ii) In earmarked accounts		
(a) Balances held as margin money or security against borrowings, guarantees and other commitments (Refer note ii (b))	940.28	1,379.78
(b) Unclaimed dividend accounts	20.66	14.72

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
Other earmarked accounts		
(iii) Others		
- Balance in Fixed Deposits (earmarked for Overdraft Facility)	8,354.30	7,398.45
- Balance in Escrow Current account (Refer Note (i) below)	1.87	1.87
Total - Other bank balances (B)	9,372.51	9,678.92
Total Cash and bank balances (A+B)	9,957.02	10,736.38

Notes:

- (i) Balance in Escrow Current account is operated under the supervision of Monitoring Committee constituted by the Government of Maharashtra, under Development Control Regulations, 1991.
- (ii) (a) Bank deposits with more than 12 months maturity from Balance Sheet date is ₹ 10.00 lacs in Current year (Previous year ₹ 7.00 lacs).
- (ii) (b) Includes balances with more than 12 months maturity from Balance Sheet date is ₹ 190.65 lacs in Current year (Previous year ₹ 396.21 lacs).

20 SHORT-TERM LOANS AND ADVANCES

₹ in lacs

	As at 31st March, 2016	As at 31st March, 2015
(a) Loans and advances to related parties (Refer Note no. 31.5)		
Unsecured, considered good	-	6.20
(b) Security deposits		
Unsecured, considered good	198.04	280.28
Unsecured, considered good - Share of jointly controlled entity	3.17	2.99
	201.21	283.27
(c) Loans and advances to employees		
Unsecured, considered good	11.05	24.30
(d) Prepaid expenses		
Unsecured, considered good	159.01	72.58
(e) Balances with government authorities		
Unsecured, considered good		
(i) Sales Tax receivable	40.15	-
(ii) Export Benefit receivable	787.77	692.17
(iii) Interest subsidy receivable (TUFS)	482.92	142.41
	1,310.84	834.58
(f) Others		
Unsecured, considered good		
(i) Trade advances	632.82	324.56
(ii) Trade advances - Share of jointly controlled entity	5.39	4.79
	638.21	329.35
Total	2,320.32	1,550.28
Note: Short-term loans and advances include amounts due from:		
Director	-	6.20

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

21 OTHER CURRENT ASSETS

	As at 31st March, 2016	As at 31st March, 2015
a) Unamortised Premium	7.22	-
b) Accruals		
(i) Interest accrued on deposits with banks	431.32	403.79
(ii) Interest accrued on deposits with others	12.47	12.43
(iii) Interest accrued on loans to staff	0.37	0.33
Total	451.38	416.55

22 REVENUE FROM OPERATIONS

	Current year	Previous year
(a) Sale of products (Refer note (Ia) & (Ib) below)	129,498.17	98,639.55
Sale of products - Share of jointly controlled entity (Refer Note (Ib) below)	-	66.48
(b) Other operating revenues (Refer note (II) below)	2,810.57	2,639.60
Revenue from operations	132,308.74	101,345.63
Note:		
I Sale of products comprises:		
a Manufactured goods		
Cloth	26,421.74	23,019.33
Yarn	644.06	12.33
Denim Fabrics	38,268.39	27,652.05
Garments	13.59	13.79
	65,347.78	50,697.50
b Traded goods		
Textile	61,898.90	47,942.05
Share of Jointly Controlled Entity	-	66.48
Others	2,251.49	-
Total - Sale of Traded goods	64,150.39	48,008.53
Total - Sale of Products (a + b)	129,498.17	98,706.03
II Other operating revenues		
Income from waste / scrap sale	593.38	394.01
Processing charges	126.95	118.63
Duty drawback and other export incentives	762.19	814.99
Rental income from investment property	467.49	407.54
Utility / business aervice / air-conditioning charges and other receipts	860.56	904.43
Total	2,810.57	2,639.60

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

23 OTHER INCOME

	₹ in lacs	
	Current year	Previous year
Interest income (Refer note 1, below)	964.71	1,021.12
Dividend income from long-term investments	272.72	191.23
Net gain on sale of long-term investments	77.00	1,077.41
Net gain on foreign currency transaction and translation	188.90	78.30
Other non-operating income (Refer note 2, below)	654.79	746.50
Recovery of expenses incurred	14.74	-
Total	2,172.86	3,114.56
Notes:		
1 Interest income comprises:		
Interest from banks on deposits	898.24	905.75
Other interest	66.47	115.37
Total	964.71	1,021.12
2 Other non-operating income:		
Miscellaneous income	196.85	128.82
Miscellaneous income - share of jointly controlled entity	-	0.24
Profit on sale of fixed assets	414.13	560.18
Liabilities / Provisions no longer required	43.81	57.26
Total	654.79	746.50

24 (a) COST OF MATERIALS CONSUMED

	₹ in lacs	
	Current year	Previous year
Opening stock	1,147.22	1,541.10
Add: Purchases	30,631.55	21,967.60
Less: Closing stock	1,793.52	1,147.22
Cost of materials consumed	29,985.25	22,361.48
Materials consumed comprises:		
Cotton & Fibre	14,887.16	13,638.56
Yarn	9,651.18	6,244.49
Fabrics	3,857.93	1,760.11
Others	1,588.98	718.32
Total	29,985.25	22,361.48

24 (b) PURCHASE OF TRADED GOODS

	₹ in lacs	
	Current year	Previous year
Textile	56,834.99	42,717.40
Others	2,037.12	-
Textile -share of jointly controlled entity	-	2.90
Total	58,872.11	42,720.30

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

24 (c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	₹ in lacs	
	Current year	Previous year
Inventories at the end of the period		
Finished goods	4,616.12	2,279.07
Work-in-progress	6,780.23	6,729.27
Stock-in-trade (Traded goods)	1,333.40	1,308.36
	12,729.75	10,316.70
Inventories at the beginning of the period		
Finished goods	2,279.07	2,667.50
Work-in-progress	6,729.27	5,402.63
	9,008.34	8,070.13
Stock-in-trade (Traded goods)	1,308.36	1,932.60
Stock-in-trade (Traded goods) - share of jointly controlled entity	-	0.42
	10,316.70	10,003.15
Net increase	2,413.05	313.55

25 EMPLOYEE BENEFITS EXPENSE

	₹ in lacs	
	Current year	Previous year
Salaries and wages	10,758.64	8,187.96
Salaries and wages - Share of jointly controlled entity	-	29.59
Contributions to provident and other funds (Refer Note no. 31.4)	809.63	665.74
Gratuity expenses	203.00	535.58
Staff welfare expenses	406.81	364.42
Total	12,178.08	9,783.29

26 FINANCE COSTS (NET)

	₹ in lacs	
	Current year	Previous year
(a) Interest expense on:		
(i) Borrowings (Refer Note no. 1)	1,794.36	1,275.67
(ii) Trade payables	150.02	140.01
(iii) Others (Includes charges for bills discounting, interest on service tax and excise etc.)	66.57	96.67
(b) Other borrowing costs	105.17	171.80
Total	2,116.12	1,684.15

Note no. 1

The interest subsidy for the year on the Term Loans availed under the Technology Upgradation Fund Scheme (TUFS) is ₹ 262.73 lacs (Previous year ₹ 194.80 lacs) and the same has been netted off from interest expense.

Note no. 2

Finance costs are net of ₹ 175.92 lacs (Previous year ₹ 128.88 lacs) capitalised in fixed assets and CWIP - (Refer Note no. 30.9).

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

27 DEPRECIATION AND AMORTISATION EXPENSE

	₹ in lacs	
	Current year	Previous year
(Refer Note no. 13a, 13b and 14)		
Depreciation on tangible assets	2,082.32	1,634.18
Depreciation on tangible assets - Share of jointly controlled entity	-	1.69
Amortisation on intangible assets	32.98	33.08
Depreciation on investment property	3.88	3.88
Total	2,119.18	1,672.83

28 OTHER EXPENSES

	₹ in lacs	
	Current year	Previous year
Consumption of stores and spare parts	10,165.42	8,306.60
Processing charges	2,716.17	2,051.25
Power and fuel	8,802.32	7,902.28
Repairs and maintenance - Buildings	198.62	142.47
Repairs and maintenance - Machinery	275.54	294.99
Repairs and maintenance - Others	34.74	32.75
Insurance	86.76	78.43
Lease rent (Refer Note no. 31.1)	394.42	349.76
Rates and taxes (including wealth tax ₹ 1.81 lacs of earlier years (Previous year ₹ 3.00 lacs))	263.05	198.30
Commission, brokerage and discount	2,090.86	1,569.02
Transport and freight charges (net)	623.85	574.71
Expenditure on corporate social responsibility	35.84	6.20
Donations and contributions	2.83	0.76
Debit balance of creditors written off	1.42	-
Bad trade and other receivables / loans and advances written off (net)	20.25	14.54
Long term investments written off	-	0.01
Provision for doubtful trade receivables and loans & advances (net)	18.46	19.44
Provision for diminution in the value of long term investments	-	20.50
Loss on fixed assets sold / scrapped / written off	50.07	33.42
Legal and professional fees	542.69	527.15
Payments to auditors (Refer Note (I) below)	64.21	65.07
Director's fees	24.00	8.10
Miscellaneous expenses	3,328.51	2,710.60
Miscellaneous expenses - Share of jointly controlled entity	-	35.93
Total	29,740.03	24,942.28

	₹ in lacs	
	Current year	Previous year
Note :		
(I) Payments to auditors (excluding service tax)		
Statutory Auditors		
Audit fees	34.15	18.10
For taxation matters	-	28.74
For other services	23.00	12.65
Reimbursement of expenses	0.41	0.16
TOTAL	57.56	59.65

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

	₹ in lacs	
	Current year	Previous year
Branch Auditors		
Audit fees	3.00	2.50
For taxation matters	0.90	0.90
For other services	1.60	1.25
Reimbursement of expenses	1.15	0.77
TOTAL	6.65	5.42

29 EXCEPTIONAL ITEMS

	₹ in lacs	
	Current year	Previous year
Profit on sale of Long-Term Investment -Investment Properties (net)	-	898.63
Total	-	898.63

Note 30 Additional information to the consolidated financial statements

	₹ in lacs	
	As at 31st March, 2016	As at 31st March, 2015
30 .1 Contingent liabilities and commitments (to the extent not provided for)		
(a) The Company is contingently liable for :		
i Bills of exchange discounted	761.97	877.93
ii Demands of income-tax authorities disputed in appeals (mainly relate to disallowance of conversion of land to stock in trade, write off of balances of loans & advances, business expenditure, Chapter VIA deductions, etc. (pending before the Commission of Income-tax (Appeals)/ Income-tax Appellate Tribunal))	2,617.89	2,979.25
iii Demands under excise and other proceedings disputed in appeals (mainly relating to matters like differential duty on revision of assessable value of yarn captively consumed, duty on T.C. hard waste, duty on drill etc. (pending at various stages, from Assistant Commissioner to CESTAT))	2,624.24	2,624.24
iv Disputed demand notice issued by the Commissioner of Central Excise relating to Excise and Service Tax matters (includes penalty). ₹ 221.32 lacs paid under protest during the previous year.	2,960.55	2,960.55
v Claims against the Company not acknowledged as debts (mainly relating to dispute on fixed water charges at Navsari Unit, disputed service tax, interest on sales tax)	24.84	113.38
vi Concessional customs duty on import of machinery under EPCG Scheme payable subject to fulfillment of mandatory import/ export obligation. The Company has submitted a bond to the authorities of Rs 1,000.00 lakhs. (including Penalty)	-	1,216.00
vii Claims made by workers against the Company (mainly relating to matters like termination, compensation etc.)	1,376.32	1,408.66
viii Demands from Director General of Foreign Trade against Advance License	4.79	4.79
ix 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 ₹ 2,696.98 lacs (Previous year ₹ 2,696.98 lacs) for the period from 01.04.2008 to 31.03.2010 has been raised by Brihanmumbai Mahanagarpalika towards Property Taxes in respect of the properties owned by various owners for the respective floors. No demand is raised in respect of common areas / properties in the name of the Company. The demand has been challenged by owners of various floors at appropriate forum and the matter is subjudiced. In case the demand is

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

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 ₹ 378.51 lacs (Previous year ₹ 378.51 lacs) for earlier years has been raised by Brihanmumbai Mahanagarpalika towards Property Taxes in respect of the properties owned by the Company for the respective floor.

In the above matters (i) to (ix), the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

		₹ in lacs
	As at 31st March, 2016	As at 31st March, 2015
(b) Letter of comfort given on behalf of Ibiza Industries Limited (under liquidation since 2007) not considered as Guarantee on legal advice.	850.28	850.28

		₹ in lacs
	As at 31st March, 2016	As at 31st March, 2015
30.2 Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:-		
Tangible assets	5,303.48	907.93

30.3 The consolidated financial statements of the Group - Mafatlal Industries Limited ("the parent company-MIL) and its subsidiary and a joint venture have been prepared in accordance with Accounting Standard (AS)-21 on 'Consolidated Financial Statements' and Accounting Standard (AS) -27 on 'Financial Reporting of Interests in Joint Venture' -. The details of such enterprises are as under:

Sr. No.	Subsidiaries – all incorporated in India	% Holding of the Company	Date of Financial Statements	
			Current Year	Previous Year
1	Mafatlal Services Limited	88.00%	31st March, 2016	31st March, 2015
2	Ibiza Industries Limited	54.89%	Refer Note (ii) below	Refer Note (ii) below
3	Sunanda Industries Limited	94.00%	Refer Note (ii) below	Refer Note (ii) below
Sr. No.	Joint Venture	% Holding of the Company	Date of Financial Statements	
			Current Year	Previous Year
1	Al Fahim Mafatlal Textile LLC , UAE	49.00%	Refer Note (iii) below	Refer Note (iii) below

- (i) There has been no change in the percentage holding of the Company in its 3 subsidiaries existing as at the year end 31st March 2016.
- (ii) Consequent to Ibiza Industries Limited (IIL) and Sunanda Industries Limited (SIL) which have gone under liquidation in the earlier years, the Company effectively has no control over IIL and SIL. Hence, in accordance with the requirements of AS -21 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 has not been consolidated.
- (iii) In case of Al Fahim Mafatlal Textile LLC , UAE - the joint venture, in the current year and the previous year, the unaudited financial information have been considered for consolidation. In view of the management their operations had no significant impact on the revenue, expenses, assets and liabilities of the Consolidated Financial Statements.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

30.4 The consolidated financial statements of Mafatlal Industries Limited ("the Company")/MIL and its associates have been prepared in accordance with AS-23 on 'Accounting for Investments in Associates on Consolidated Financial Statements' as notified under the Companies (Accounting Standards) Rules, 2006. The details of such associates are as under:

Sr. No.	Associates – (all incorporated in India unless otherwise stated)	% holding of the Company with its subsidiaries	Date of Financial Statements	
			Current Year	Previous Year
1	Mafatlal Limited (Incorporated in United Kingdom)	29.83%	Refer Note (ii) below	Refer Note (ii) below
2	Mafatlal Engineering Industries Limited	22.18%	Refer Note (ii) below	Refer Note (ii) below
3	Mafatlal Global Apparel Limited (since 29.09.2012)	-		Ceases to be an Associate w.e.f. 23rd March, 2015

Notes:

- (i) There has been no change in the percentage holding of the Company in its associates existing as at the year end 31st March, 2016. Mafatlal Global Apparel Limited ceases to be an associate with effect from 23rd March, 2015.
- (ii) The financial statements of Mafatlal Limited (UK) and Mafatlal Engineering Industries Limited were not available for consolidation since they are under liquidation. In view of the Management, their operations have no significant impact on the revenue, expenses, assets and liabilities of the Consolidated Financial Statements.
- (iii) The investments of these associates have been reported at ₹ 1/- as the company's share of losses exceeds the carrying amount of Investments:
 - Mafatlal Engineering Industries Limited
 - Mafatlal Limited U.K.
- (iv) The carrying values (A), post acquisition share in reserves and surplus as at the date of the respective financial statements (B), and carrying amount of investments as at the period end (C) are as under (figures in italics are as at previous period end):

Sr. No.	Associates – all incorporated in India unless otherwise stated	Carrying Values (A)	Post acquisition share in reserves and surplus as at the date of the respective financial statements (B)	Carrying amount of investments as at the year end
1	Mafatlal Limited (Incorporated in United Kingdom)	84.52	(84.52)	-
		84.52	(84.52)	-
2	Mafatlal Engineering Industries Limited	162.44	(162.44)	-
		162.44	(162.44)	-
	Total	246.96	(246.96)	-
		246.96	(246.96)	-

Figures in () represents loss

* Amount represents full rupees.

30.5 As legally advised, the Company has not recognized as income recovery of rent and other charges of ₹ 83.61 lacs upto 31st March, 2016 (₹ 83.61 lacs upto 31st March, 2015) 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 ₹ 577.89 lacs (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 ₹ 577.89 lacs has been included in other current / non current liabilities (Refer Note no. 7.11 and Note no. 16).

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

30.6 Details on derivatives instruments and unhedged foreign currency exposures

- I. The following forward contracts positions are open as at 31st March, 2016. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets. The accounting of these transactions is stated in Note (i) of Significant Accounting Policies.

Forward exchange contracts are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts as on 31st March, 2016

Currency	Amount	Buy / Sell	Cross currency
EURO	NIL (66,000)	Buy	₹
JPY	NIL (91,36,280)	Buy	₹
USD	9,11,092 (NIL)	Sell	₹

Note: Figures in () relates to the previous year

- II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31st March, 2016		As at 31st March, 2015	
Receivable/ Payable	Receivable/ Payable in Foreign currency	Receivable/ Payable	Receivable/ Payable in Foreign currency
₹ in lacs	(Amount in Foreign currency) (in lacs)	₹ in lacs	(Amount in Foreign currency) (in lacs)
Receivable			
1750.77	USD 26.39	1926.42	USD 30.83
79.25	EURO 1.06	88.13	EURO 1.24
223.57	JPY 378.54	533.28	JPY 1000.00
40.02	AED (DHIRAMS) 2.22	66.04	AED (DHIRAMS) 3.88
-	-	-	-
Payable			
201.96	USD 3.06	186.61	USD 2.99
5.36	EURO 0.07	0.71	EURO 0.01

Note	₹ in lacs	
	Current Year	Previous Year
30.7 Details of research and development expenditure recognised as an expense		
Employee benefits expense	60.87	55.29
Consumables	4.37	6.95
Repairs and Maintenance	12.32	12.79
Depreciation and amortisation expense	0.00	65.76
Total	77.56	140.79

- 30.8 a) Due to inadequacy of profit the remuneration paid to Shri Aniruddha Deshmukh Managing Director & Chief Executive Officer (Professional Director) is in excess of the limits specified under Section 197 of the Companies Act, 2013 read with Schedule V by ₹ 36.82 lacs. As required by the law necessary approvals are being / will be taken by the Company from the Shareholders and the Central Government.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

- b) Due to inadequacy of profit during the year Shri Vishad P. Mafatlal (Vice-Chairman) has been paid remuneration with limits as prescribed under Schedule V of the Companies Act, 2013 and the same is subject to approval of the shareholders.

	₹ in lacs	
	Current Year	Previous Year
30.9 Project Development expenses capitalised during the year:		
Finance and other borrowing costs capitalised in CWIP	175.92	128.88

30.10 In an earlier year, the Company had sold part of its leasehold land at its Mazgaon unit. The Company is required to surrender 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.

30.11 Pursuant to the demerger of the Real Estate and Investment Business to Sulakshana Securities Limited (SSL) in 2002, the shareholders of the Company are to be issued one equity share of ₹ 10/- each, fully paid-up, in SSL for every 500 shares of ₹ 100/- each, fully paid-up, held in the Company as consideration for the demerger, aggregating to ₹ 1.00 lac. 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 ₹ 1.00 lac from NFIL on behalf of the shareholders, which is pending disbursement upon completion of formalities.

30.12 Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company had fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and had adjusted an amount of ₹ 111.57 lacs (net of deferred tax of ₹ 57.45 lacs) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus of the previous year.

Note 31 Disclosures under Accounting Standards

	₹ in lacs	
Note	Current Year	Previous Year
31.1 Details of leasing arrangements		
<u>As Lessor:</u>		
The Company has entered into non cancellable operating lease arrangements for certain premises. The tenure of such agreements ranges from eleven to sixty months.		
Future minimum lease payments		
not later than one year	444.52	446.80
later than one year and not later than five years	1,242.43	1,444.74
Total	1,686.95	1,891.54
Depreciation recognised on the leased assets	1.00	1.00
<u>As Lessee:</u>		
The Company has entered into operating lease arrangements for certain facilities and residence premises. The leases are non-cancellable and are for a period upto 9 years and may be renewed for a further period upto 3 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments upto 15% every 3 years. There are no sub-leases.		
Future minimum lease payments		
not later than one year	316.43	298.29
later than one year and not later than five years	1,236.23	1,422.43
later than five years	-	86.17
Total	1,552.66	1,806.89
Lease payments recognised in the Statement of Profit and Loss	338.19	321.64

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

₹ in lacs

	Current Year	Previous Year
31.2 Earnings per share		
Net Profit for the year attributable to the equity shareholders	1,712.38	2,383.92
Weighted average number of equity shares outstanding during the year	1,39,12,886	1,39,12,886
Par value per share (₹)	10.00	10.00
Earnings per share - Basic and Diluted (₹)	12.31	17.13

31.3 Segment Information

The Company has identified business segment as its primary segment and geographic segment as its secondary segment. The Company operates solely in the Textile business segment.

Secondary segment reporting for geographic segment on the basis of location of customers is as under:

Geographic Segment	Revenues for the year ended 31st March, 2016	Segment assets As at 31st March, 2016	Additions to fixed assets during the year ended 31st March, 2016	Revenues for the year ended 31st March, 2015	Segment assets As at 31st March, 2015	Additions to fixed assets during the year ended 31st March, 2015
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Within India	118,185.38	91,045.84	7,079.70	87,631.70	73,615.92	2,585.55
Outside India	14,123.36	2,108.36	-	13,713.93	2,629.80	1.35
Total	132,308.74	93,154.20	7,079.70	101,345.63	76,245.72	2,586.90

31.4 Employee benefit plans

a) Defined contribution plans

Contributions are made to Recognized Provident Fund / Government Provident Fund and Family Pension Fund which covers all regular employees. Contribution is also made in respect of executives to a Recognized Superannuation Fund. While both the employees and the Company make predetermined contributions to the Provident Fund, contribution to the Family Pension Fund and Superannuation Fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised during the year ₹ 472.65 lacs (Previous year ₹ 420.80 lacs) as Provident Fund Contribution, ₹ 228.96 lacs (Previous year ₹ 166.43 lacs) as Super Annuation Contribution and ₹ 104.85 lacs (Previous year ₹ 75.97 lacs) as Pension Fund Contribution.

b) Defined benefit plans

Contributions are made to a Recognized Gratuity Fund in respect of gratuity based upon actuarial valuation done at the year end of every financial year using "Projected Unit Credit" method and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

The charge on account of provision for gratuity has been included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

	₹ in lacs	
	Current Year	Previous Year
Components of employer expense		
Current service cost	145.22	120.96
Interest cost	239.23	252.08
Expected return on plan assets	(225.63)	(182.20)
Actuarial losses/(gains)	44.18	344.74
Total expense recognised in the Statement of Profit and Loss	203.00	535.58
Actual contribution and benefit payments for year		
Actual benefit payments	343.50	431.69
Actual contributions	250.50	953.16
Net Liability recognised in the Balance Sheet		
Present value of defined benefit obligation	(3,155.22)	(3,022.85)
Fair value of plan assets	3,028.78	2,848.91
Unrecognised past service costs	-	-
Net Liability recognised in the Balance Sheet	(126.44)	(173.94)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	(3,022.85)	(2,694.45)
Current service cost	(145.22)	(120.96)
Interest cost	(239.23)	(252.08)
Actuarial (gains) / losses	(91.42)	(387.04)
Benefits paid	343.50	431.69
Present value of DBO at the end of the year	(3,155.22)	(3,022.85)
Change in fair value of assets during the year		
Plan assets at beginning of the year	2,848.91	2,094.25
Expected return on plan assets	225.63	182.20
Actual company contributions	250.50	953.16
Actuarial gain	47.24	42.30
Benefits paid	(343.50)	(423.01)
Plan assets at the end of the year	3,028.78	2,848.91
Actual return on plan assets	272.87	224.50
Composition of the plan assets is as follows:		
Government bonds	41.74%	43.58%
PSU bonds	32.82%	31.72%
Others	3.35%	0.47%
Insurer Managed Funds	9.19%	11.07%
Deposits with Nationalised Banks	12.14%	13.16%
Mutual Funds	0.77%	-

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

	₹ in lacs	
	Current Year	Previous Year
Actuarial assumptions		
Discount rate	7.81% - 7.95%	7.90% - 8.08%
Expected return on plan assets	7.81% - 7.95%	7.90% - 8.08%
Salary escalation	4.00%	4.00%
Attrition	2.00%	2.00%
Mortality tables	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Estimate of amount of contribution in the immediate next year	302.58	384.05

Experience adjustments

	₹ in lacs				
Gratuity	Current Year ended 31st March, 2016	Previous Year 31st March, 2015	Previous Year 31st March, 2014	Previous Year 31st March, 2013	(9 months ended 31st March, 2012)
Experience (gain) /loss adjustments on plan liabilities	71.00	117.09	153.09	281.08	274.99
Experience gain / (loss) adjustments on plan assets	47.24	42.30	18.88	49.76	111.58

Long term Compensated absences

	Current Year	Previous Year
Actuarial assumptions		
Discount rate	7.81% - 7.95%	7.90% - 8.08%
Expected return on plan assets		
Salary escalation	4.00%	4.00%
Attrition	2.00%	2.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

All the employees are eligible for compensated absences of 30 days in each financial year which can be encashed during the tenure of employment. Employees cannot carry forward any compensated absences in excess of 300 days. The provision for these absences, made on the basis of Actuarial Valuation on "Projected Unit Credit" method is ₹ 619.35 lacs (Previous year ₹ 657.30 lacs). Net charge for the year ₹ 223.75 lacs (Previous year ₹ 261.09 lacs).

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

Note 31.5

Related Parties transactions

Details of Related Parties

A Associates

—

B Key managerial personnel

Rajiv Dayal (till 12.08.2015)

V. P. Mafatlal

Aniruddha Deshmukh (from 13.08.2015)

C Enterprises over which key management personnel and their relatives are able to exercise significant influence

NOCIL Limited

Navin Fluorine International Limited

Sulakshana Securities Limited

Krishnadeep Housing Development Private Limited

Mafatlal Impex Private Limited

Mafatlal Fabrics Private Limited

Aureole Clothing Private Limited

D Individual having significant influence

H.A. Mafatlal

E Relatives of Individual having significant influence

Priyavrata H. Mafatlal

F Enterprises over which Individual having significant influence and relatives of such individuals are able to exercise significant influence.

Sukarma Investments Private Limited

Suremi Trading Private Limited

Silvia Apparel Limited

Mafatlal Global Apparel Limited

Altamount Product and Services Private Limited

Details of transactions with related parties during the year:

(₹ in lacs)

Nature of Transactions	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individuals are able to exercise significant influence.	Total
Other Operating Revenues								100.87
								110.74
Sulakshana Securities Limited	-	-	-	6.36	-	-	-	6.36
	-	-	-	10.35	-	-	-	10.35
NOCIL Limited	-	-	-	15.68	-	-	-	15.68
	-	-	-	15.73	-	-	-	15.73
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-
	-	-	-	7.65	-	-	-	7.65

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

Nature of Transactions	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individuals are able to exercise significant influence.	Total
Navin Fluorine International Limited	-	-	-	78.83	-	-	-	78.83
	-	-	-	77.01	-	-	-	77.01
Rent from Property (Income)								-
								3.15
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-
	-	-	-	0.66	-	-	-	0.66
Mafatlal Fabrics Private Limited	-	-	-	-	-	-	-	-
	-	-	-	2.49	-	-	-	2.49
Interest Income								4.95
								43.46
Mafatlal Global Apparel Ltd	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	19.52	19.52
Mafatlal Impex Pvt Ltd.	-	-	-	3.31	-	-	-	3.31
	-	-	-	11.33	-	-	-	11.33
Sukarma Investments Private Limited	-	-	-	-	-	-	1.63	1.63
	-	-	-	-	-	-	10.24	10.24
Suremi Trading Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	2.37	2.37
Dividend Income								265.50
								168.61
NOCIL Ltd	-	-	-	230.36	-	-	-	230.36
	-	-	-	138.22	-	-	-	138.22
Navin Fluorine International Limited	-	-	-	35.14	-	-	-	35.14
	-	-	-	30.39	-	-	-	30.39
Purchase of Goods & Services								28.26
								44.18
Mafatlal Global Apparel Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	43.91	43.91
Mafatlal Fabrics Private Limited	-	-	-	27.93	-	-	-	27.93
	-	-	-	-	-	-	-	-
Navin Fluorine International Limited	-	-	-	0.33	-	-	-	0.33
	-	-	-	0.27	-	-	-	0.27
Sale of Goods & Services (Net)								9.81
								0.13
Mafatlal Impex Pvt Ltd.	-	-	-	-	-	-	-	-
	-	-	-	0.06	-	-	-	0.06
NOCIL Ltd	-	-	-	0.85	-	-	-	0.85
	-	-	-	-	-	-	-	-

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

Nature of Transactions	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individuals are able to exercise significant influence.	Total
Mafatlal Fabrics Private Limited	-	-	-	0.25	-	-	-	0.25
	-	-	-	-	-	-	-	-
Suremi Trading Private Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	0.07	0.07
Navin Fluorine International Limited	-	-	-	8.70	-	-	-	8.70
	-	-	-	-	-	-	-	-
Remuneration								454.99
								284.58
Priyavrata H. Mafatlal	-	-	-	-	-	25.68	-	25.68
	-	-	-	-	-	22.97	-	22.97
Aniruddha Deshmukh	-	122.39	-	-	-	-	-	122.39
	-	-	-	-	-	-	-	-
Vishad P. Mafatlal	-	126.15	-	-	-	-	-	126.15
	-	125.81	-	-	-	-	-	125.81
Rajiv Dayal	-	180.77	-	-	-	-	-	180.77
	-	135.80	-	-	-	-	-	135.80
Sitting Fees								2.00
								0.90
H.A. Mafatlal	-	-	-	-	2.00	-	-	2.00
	-	-	-	-	0.90	-	-	0.90
Sale of assets/ Sale of Uniforms								-
								5.77
Navin Fluorine International Limited	-	-	-	-	-	-	-	-
	-	-	-	5.77	-	-	-	5.77
Loan given								2.25
								9.25
Silvia Apparel Limited	-	-	-	-	-	-	2.25	2.25
	-	-	-	-	-	-	9.25	9.25
Repayment of Loan By								316.32
								487.50
Mafatlal Global Apparel Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	244.00	244.00
Sukarma Investments Private Limited	-	-	-	-	-	-	81.50	81.50
	-	-	-	-	-	-	82.00	82.00
Suremi Trading Private Limited	-	-	-	-	-	-	38.00	38.00
	-	-	-	-	-	-	106.50	106.50
Silvia Apparel Limited	-	-	-	-	-	-	2.25	2.25
	-	-	-	-	-	-	-	-

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

Nature of Transactions	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprises over which Key Managerial Personnel and their relatives are able to exercise significant influence	Individual having significant influence	Relatives of Individual having significant influence	Enterprises over which Individual having significant influence and relatives of such individuals are able to exercise significant influence.	Total
Rajiv Dayal	-	79.57	-	-	-	-	-	79.57
	-	-	-	-	-	-	-	-
Mafatlal Impex Pvt Ltd.	-	-	-	115.00	-	-	-	115.00
	-	-	-	55.00	-	-	-	55.00
Advance write off / adjusted against provision of doubtful Loans and advances including interest accrued								-
								151.05
Silvia Apparel Limited	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	151.05	151.05
Provision for doubtful loans & advances during the year								-
								9.25
Silvia Apparel Limited				-			-	-
				-			9.25	9.25
Amount due from - as at March 31, 2016								616.69
								948.19
NOCIL Limited	-	-	-	-	-	-	-	0.00
	-	-	-	0.73	-	-	-	0.73
Mafatlal Impex Private Limited (Advances)	-	-	-	155.56	-	-	-	155.56
	-	-	-	267.25	-	-	-	267.25
Mafatlal Fabrics Private Limited	-	-	-	0.20	-	-	-	0.20
	-	-	-	-	-	-	-	-
Mafatlal Global Apparel Limited (Trade Receivable)	-	-	-	-	-	-	273.64	273.64
	-	-	-	-	-	-	288.64	288.64
Rajiv Dayal (Loan)	-	-	-	-	-	-	-	-
	-	79.57	-	-	-	-	-	79.57
Krishnadeep Housing Development Private Limited	-	-	-	-	-	-	-	-
	-	-	-	13.50	-	-	-	13.50
Navin Fluorine International Limited (Trade Receivable)	-	-	-	6.66	-	-	-	6.66
	-	-	-	-	-	-	-	-
Sukarma Investments Private Limited	-	-	-	-	-	-	95.87	95.87
	-	-	-	-	-	-	175.74	175.74
Suremi Trading Private Limited	-	-	-	-	-	-	84.76	84.76
	-	-	-	-	-	-	122.76	122.76
Amount due to - as at March 31, 2016								0.32
								0.07
Mafatlal Fabrics Private Limited	-	-	-	0.32	-	-	-	0.32
	-	-	-	-	-	-	-	-
Navin Fluorine International Limited	-	-	-	-	-	-	-	-
	-	-	-	0.07	-	-	-	0.07

Figures in Italics represents previous year

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

Note 32

32.1 The Company has not made any remittances in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances in foreign currencies on account of dividends have been made by or on behalf of non-resident shareholders. The particulars of dividends paid to non-resident shareholders are as follows:

	Year ended 31 March, 2016	Year ended 31 March, 2015
Year to which Dividend relates	2014-15	2013-14
Number of non-resident shareholders	160	173
Number of shares held by them on which dividend is due	52,425	55,380
Amount remitted to bank accounts in India of non-resident shareholders - ₹ in lacs	1.57	1.66

32.2 Details of Loan Given and Investment made covered u/s 186(4) of the Companies Act, 2013

(i) Loans given in Current Year

Name of Party	Purpose	Amount
Silvia Apparel Limited	Loan	2.25

₹ in lacs

(ii) Investment made in Current Year

Name of Party	Amount
Janata Sahkari Bank Limited, Pune	9.00

₹ in lacs

33.1 Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in lacs)

Name of the entity in the Parent Company	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Mafatlal Industries Limited	100.82%	37,901.36	100.00%	1,712.38
Subsidiaries				
<u>Indian</u>				
Mafatlal Services Limited	-0.43%	(162.66)	0.00%	-
Minority Interest in a subsidiary	-	-	-	-
Joint Ventures (as per proportionate consolidation)				
<u>Foreign</u>				
Al Fahim Mafatlal Textiles LLC	-0.40%	(144.69)	0.00%	-

Note 1: Refer note 30.3 for subsidiaries which are not consolidated.

Note 2: Refer note 30.4 for associates which are not consolidated.

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

33.2 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.

I Part "A" Subsidiary

(₹ in lacs)

Srl no.	Name of the Subsidiary Company	Mafatlal Services Limited (Subsidiary)
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2015 to 31.03.2016
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the each of foreign subsidiaries	INR
3	Share capital	310.00
4	Reserves & surplus	(270.87)
5	Total assets	48.22
6	Total Liabilities	9.10
7	Investments	-
8	Turnover	90.76
9	Profit before taxation	-
10	Provision for taxation	-
11	Profit after taxation	-
12	Proposed Dividend	-
13	% of shareholding	88%

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

II Part "B" Joint Venture

Statement pursuant to section 129 (3) of the companies Act 2013 related to Joint Venture.

(₹ in lacs)

Srl no.	Name of the Joint Venture	Al Fahim Mafatlal Textile LLC (Joint Venture)
1	Latest audited Balance sheet Date	31st December, 2015
2	Share of Joint Venture held by the company on the year ended No. of Shares	147 Shares
	Amount of investment in Joint Venture	22.73
	Extend of Holding %	49%
3	Description of how there is significant influence	By virtue of 49% shareholding in Memorandum of Understanding

Notes forming part of Consolidated Financial Statement for the year ended 31st March, 2016

(₹ in lacs)

Srl no.	Name of the Joint Venture	Al Fahim Mafatlal Textile LLC
		(Joint Venture)
4	Reason why the joint venture is not consolidated.	Not Applicable
5	Net worth attributable to shareholding as per latest audited Balance	(36.29)
6	(Loss) for the year	(8.50)
I	Considered in Consolidation	(4.16)
I	Not Considered in Consolidation	(4.33)

Note for 33.2 (II) Part B Joint Venture :

Information in Row 5 and 6 (I) is as proportionate to the holding of 49% and as per unaudited financial statements for the year ending 31st March 2016.

- 33.3** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

H. A. Mafatlal
Chairman

V. P. Mafatlal
Vice Chairman

A. A. Karanji
Company Secretary

Aniruddha Deshmukh
Managing Director &
Chief Executive Officer

Milan Shah
Chief Financial Officer

P. R. Amin
A. K. Srivastava
P. N. Kapadia
G. G. Charkravarti
S. A. Shah
L. P. Pradhan

Directors

Mumbai, 2nd May, 2016

**MAFATLAL INDUSTRIES LIMITED****FORM NO MGT-11****PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

CIN L17110GJ1913PLC000035

Name of the Company : MAFATLAL INDUSTRIES LIMITED
Registered Office : 301-302, Heritage Horizon, 3rd Floor, Off: C G Road, Navrangpura, Ahmedabad
380009. Email: ahmedabad@mafatlals.com
Website: www.mafatlals.com Tel: 91-79-26444404 - 06, Fax: 91-79-26444403

Name of the Member(s) :	
Registered Address :	
E mail Id :	
Folio No / Client ID:	
DP ID :	

I / We, being the Member(s) of shares of the above named company, hereby appoint:

- (1) Name Address.....
Email ID Signature..... or failing him/her
- (2) Name Address.....
Email ID Signature..... or failing him/her
- (3) Name Address.....
Email ID..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 102nd Annual General Meeting of the Company, to be held on Thursday, 11th August, 2016 at 11.00 a.m. at J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad - 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS

- Adoption of Audited Financial Statements including Statement of Profit & Loss for the year ended 31st March, 2016 Balance sheet as at date and Auditors' Report thereon.
- Declaration of Dividend.
- Re-appointment of Shri Hrishikesh A. Mafatlal, who retires by rotation.
- Appointment of Auditors and fixing their remuneration.

SPECIAL BUSINESS

- Appointment of Shri Aniruddha P. Deshmukh as Director of the Company
- Special Resolution for appointment of Shri Aniruddha P. Deshmukh as Managing Director & Chief Executive Officer of the Company for a period of Five years with effect from 13th August, 2015.
- Appointment of Branch Auditors and fixing their remuneration.
- Appointment of Branch Auditors and fixing their remuneration.
- Special Resolution for waiver of excess payment of Managerial remuneration paid to Shri V.P. Mafatlal and Shri Aniruddha P. Deshmukh.
- Special Resolution for waiver of excess payment of Managerial remuneration paid to Shri Rajiv Dayal.
- Special Resolution for waiver of excess payment of Managerial remuneration paid to Shri Aniruddha P. Deshmukh.
- Ordinary Resolution under section 148 (3) of the Companies Act, 2013 for approval of remuneration of Cost Auditor Shri B.C. Desai for the year 2016-17.
- Special Resolution for keeping the Register of Members, Index of Members, Register of Index of Debenture holders at the Office of Share Transfer Agents of the Company, M/s Karvy Computershare Pvt. Ltd.

Signed this _____ day of _____ 2016.

Signature of the Shareholder

Signature of Proxy holder(s)

Affix Re.1
Revenue
Stamp

Note: This Form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





MAFATLAL INDUSTRIES LIMITED

CIN L17110GJ1913PLC000035

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

Tel. 91-79-26444404 - 06, Fax: 91-79-26444403,

Website: www.mafatlals.com Email: ahmedabad@mafatlals.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint shareholders may obtain additional attendance slips on request. (Folio Nos., DP ID*, Client ID* & Name of the Shareholder / Joint holders / Proxy in BLOCK LETTERS to be furnished below).

Shareholder / Proxy holder	DP ID*	Client ID*	Folio	No. of Shares held

I hereby record my presence at the 102nd Annual General Meeting of the Company, to be held on **Thursday, 11th August, 2016 at 11.00 a.m. at J. B. Auditorium, Ahmedabad** Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad – 380015

SIGNATURE OF THE

SHAREHOLDER OR PROXY _____

NOTES:

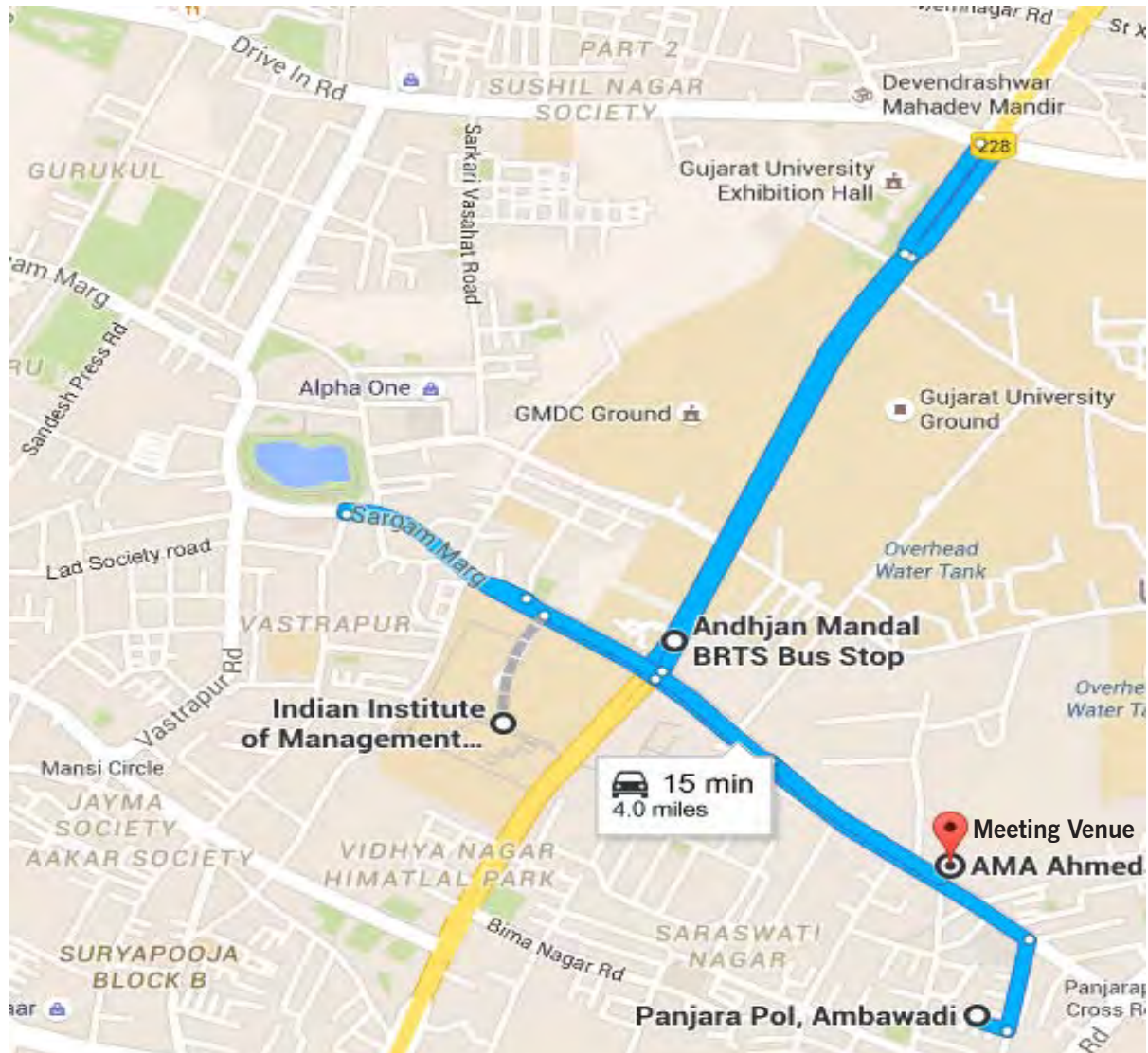
- (1) Shareholders / Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
- (2) Shareholders are requested to advise, indicating their Folio Nos. DP ID*, Client ID*, the change in their address, if any, to the Registrar & Share Transfer Agents, at Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032, India Tel: 040 6716 2222 Fax: 040 2342 0814 E-mail: einward.ris@karvy.com website: www.karvycomputershare.com.

*Applicable for investors holding shares in Electronic (Demat) Form.



Route Map to the 102nd Annual General Meeting of the shareholders the Company
Thursday, 11th day of August, 2016 at 11.00 AM

Venue: J. B. Auditorium, Ahmedabad Management Association, ATIRA Campus,
Dr. Vikram Sarabhai Marg, Vastrapur, Ahmedabad-380 015



Landmark: Indian Institute of Management (IIM) Road, Ambawadi.

Distance from Ahmedabad Stock Exchange, **Panjara Pol , Ambawadi:** 0.5 km

Distance from **Indian Institute of Management:** 2.0 km



MAFATLAL
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