WEAVING NEW DREAMS

From near-stagnation to spirited revival, Mafatlal Industries has rewritten its 120-year-old story through agility and foresight. What changed everything?

By Ashish Sinha

IT'S NOT often that a 120-year-old company manages to feel as fresh as a start-up, yet as grounded as a legacy brand. Mafatlal Industries, once synonymous with classic cotton textiles, is today scripting a narrative of resilience and renewal that blends tradition with transformation.

The company's CEO, M. B. Raghunath, says the metamorphosis didn't happen overnight. "The turning points in Mafatlal Industries' recent journey can be traced to a few decisive shifts," he recalls. "The first was our transition to an asset-light business model with a perfect blend of B2C, B2B, and B2G engagement."

That single strategic pivot set the stage for Mafatlal's comeback. By shedding the weight of asset-heavy infrastructure, the company found its agility — a quality not often associated with century-old institutions. The focus shifted to what Mafatlal did best: product design, marketing, and institutional fulfilment.

Modern Makeover

The transformation began four years ago. The management's decision to diversify beyond textiles opened new frontiers in health and hygiene, consumer durables, and digital infrastructure. "We aligned ourselves with evolving consumer needs and India's broader development priorities," Raghunath explains.

This wasn't diversification for the sake of it. It was done with a purpose, a bet on India's emerging needs rather than fading markets. The result? A remarkable financial turnaround.

Mafatlal closed FY 2024-25 with revenues of Rs 2,845.3 crore, growing a sharp 33 per cent year-on-year, and a profit after tax of Rs 98.1 crore. The key? Delivering large institutional orders, particularly in uniforms and hygiene products, alongside strong traction in consumer durables.

Equally impressive was the company's foray into digital infrastructure. Mafatlal's Pieflow Tech Solutions now supports projects for education digitalisation.

Resilience is Key

When the going got tough, Mafatlal didn't just cut costs or wait for the tide to turn. It reimagined what it meant to be in business. The adoption of an asset-light, product-agnostic model allowed it to outsource manufacturing and logistics, freeing up capital and creativity.

M.B. RAGHUNATH, CEO, Mafatlal Industry

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By focusing on design, product curation, and last-mile delivery, the company ensured it could scale quickly without the drag of legacy costs. "Being product-agnostic has given us resilience and agility," Raghunath says. "We can pivot seamlessly across categories, from uniforms and hygiene products to consumer durables and digital solutions."

The company's comeback isn't just a financial story; it's a narrative of rediscovery and renewal. Mafatlal realised that its deep institutional relationships — with governments, PSUs, and corporates — were not relics of the past but bridges to new opportunities.

Through partnerships under Samagra Shiksha Abhiyan and various state medical corporations, Mafatlal supplied uniforms, hygiene kits, and healthcare products on a massive scale. Its consumer durable line, which includes kits and furniture for welfare-linked projects, strengthened its role as a key contributor to India's social infrastructure.

These collaborations didn't just fill order books; they validated Mafatlal's transformation into a purpose-driven enterprise. They also brought stability to revenues, proving that a legacy brand could grow fast and responsibly.

Balancing Legacy

How does a 120-year-old brand appeal to Gen Z buyers and government buyers in the same breath? The answer lies in balance. Mafatlal has managed to stay true to its heritage of trust and quality while reimagining its product lines for today's needs. "We are still the brand people associate with reliability," says Raghunath, "but today we also stand for innovation and relevance in welfare-driven and technology-led sectors."

This delicate blend of old and new — of handloom trust and tech-enabled delivery — has allowed Mafatlal to stay contemporary without losing character.

The company's shift to an institutional model has turned it into a quiet but crucial player in India's nation-building story. Mafatlal's products today touch millions of lives — from school uniforms and hospital linen to workwear and hygiene kits. "Nation-building is at the heart of our strategy," Raghunath asserts. "By strengthening institutional supply chains for schools, hospitals, and factories, we deliver products that directly impact millions of lives."

By sourcing locally and supporting domestic manufacturing, Mafatlal is also reinforcing the 'Make in India' spirit, creating livelihoods while ensuring quality. It's an evolution that feels less like corporate transformation and more like an alignment with the country's development pulse.

The entry into digital infrastructure, through projects like smart classroom kits and educational software, is perhaps Mafatlal's most audacious move yet. For a company once known for woven fabrics, its new product is data — woven into India's digital education landscape.

Pieflow Tech Solutions, the company's tech arm, underscores this pivot. It reflects Mafatlal's willing-

REINVENTING LEGACY BOLDLY

From textiles to tech-led diversification, how Mafatlal Industries staged a turnaround, **M.B. RAGHUNATH,** CEO, tells **ASHISH SINHA.** Excerpts

What defined Mafatlal's turnaround into a growth phase?

Our transformation began with an asset-light, product-agnostic model blending B2C, B2B, and B2G engagements effectively. It gave us agility to scale without capital-heavy operations and focus sharply on design, innovation, and institutional partnerships. Diversifying into health, hygiene, consumer durables, and digital infrastructure aligned us perfectly with new consumer trends and national priorities. Collaborations with governments, PSUs, and corporates expanded our operational reach and positioned us as a dependable, large-scale solutions provider. These decisive shifts marked our evolution from resilience to long-term renewal.

What fueled Mafatlal's strong FY25 performance?

FY25 was a landmark year—revenues reached Rs 2,845.3 crore, with PAT of Rs 98.1 crore, up 33 per cent year-on-year, a reflection of execution excellence. Large institutional orders in uniforms and hygiene products anchored our performance throughout the fiscal year. Consumer durables gained steady traction through welfare-linked government projects, while digital infrastructure initiatives deepened meaningful engagement with educational institutions nationwide. These diversified segments, coupled with disciplined financial management, ensured consistent, profitable, and sustainable growth across all business verticals.

How did diversification reshape Mafatlal's business identity?

Our diversification was deliberate, driven equally by market evolution and institutional priorities. We entered technical textiles, health and hygiene, and later consumer durables—supplying welfare-linked essentials such as utensils, kits, and furniture innovatively. Our venture into digital infrastructure, via Pieflow Tech Solutions, marked a significant strategic entry into the broader technology ecosystem. These calibrated steps collectively transformed Mafatlal from a traditional textile house into a diversified, future-ready, purpose-driven enterprise with a nationwide footprint.

How do you balance heritage with reinvention?

Our 120-year-old legacy is built

firmly on trust, quality, and adaptability. Reinvention came through embracing asset-light operations and broad-based, technology-led diversification into emerging sectors. Today, Mafatlal stands for both reliability and innovation—blending traditional craftsmanship with forward-looking enterprise agility and relevance. This thoughtful balance keeps us deeply connected to new-age consumers while honoring our century-old commitment to India's growth and progress.

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ness to move where the future is going, not where it has been. It also opens new avenues for recurring revenues and cross-sector collaborations, from education to enterprise solutions.

Financial Discipline Meets Vision

Behind every reinvention lies discipline. The asset-light strategy not only improved efficiency but also ensured financial prudence. By keeping overheads low and focusing on core competencies, Mafatlal could invest in design, marketing, and distribution rather than bricks and mortar. This approach is evident in the numbers — consistent growth in revenue, healthy margins, and diversified income streams. In a sector where many legacy players struggle to stay afloat, Mafatlal's playbook offers lessons in adaptability and foresight.

Looking ahead, Mafatlal's ambitions are both bold and believable. By 2030, the company aims to double its revenues and profits, consolidating its place as a diversified, future-ready enterprise. Its three-pronged strategy — strengthening institutional ties, deepening diversification, and maintaining profitability discipline — positions it well for sustainable expansion.

The goal, says Raghunath, is not merely size. It's about purpose. "We aspire not only to increase our size but also to strengthen our identity as a purpose-driven company — one that creates economic value while directly contributing to nation-building imperatives." That philosophy perhaps best sums up the spirit of Mafatlal's rebirth — grounded in legacy, but propelled by renewal.

In an age where many storied brands fade under the weight of their own history, Mafatlal has done the unthinkable: turned its legacy into leverage. The company that once clothed India is now helping build its future — one uniform, one hygiene kit, and one digital classroom at a time. BW

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