

August 20, 2025

To,  
National Stock Exchange of India Limited  
Manager – Listing Department  
5, Exchange Plaza, Bandra-Kurla Complex  
Bandra (East),  
Mumbai 400 051

To,  
BSE Limited  
Manager – Listing Department  
Floor 25, P. J. Towers,  
Dalal Street,  
Mumbai 400 001

Symbol: FINPIPE

Scrip Code: 500940

**Sub.: Notice of the 44<sup>th</sup> (Forty-Fourth) Annual General Meeting along with the Annual Report for the Financial Year 2024-25**

**Ref.: Regulation 30 & Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of the 44<sup>th</sup> (Forty-Fourth) Annual General Meeting (“AGM”) along with the Annual Report for the Financial Year 2024-25 which are being sent to those members, whose email addresses are registered with the Company/Registrar and Share Transfer Agent (“RTA”)/their respective Depository Participants (“DP”), through electronic mode and being made available in physical form, who request for the same.

The Schedule of the AGM is as under:

Event - 44 <sup>th</sup> (Forty-Fourth) AGM	Details	Time (IST)
Date and Time of AGM	Friday, September 12, 2025	4.00 p.m.
Mode	Video Conferencing / Other Audio-Visual Means	-
Link for participation through video conferencing & E-voting platform of Kfin (RTA)	<a href="https://emeetings.kfintech.com/">https://emeetings.kfintech.com/</a>	-
Cut-off date for E-voting	Friday, September 5, 2025	-
E-voting start date and time	Tuesday, September 9, 2025	9.00 a.m.
E-voting end date and time	Thursday, September 11, 2025	5.00 p.m.
Record Date for the payment of Final Dividend	Friday, September 5, 2025	-
Dividend Payment date	On/before Saturday, October 11, 2025	-

Please note that the Notice of the 44<sup>th</sup> (Forty-Fourth) AGM along with Annual Report of the Company for the Financial Year 2024-25, are also available on the website of the Company at [www.finolexpipes.com](http://www.finolexpipes.com).

You are requested to kindly take the above on your records.

Thanking you,

Yours sincerely,

For **Finolex Industries Limited**

**Dakshinamurthy Iyer**

Company Secretary & Compliance Officer

M. No.: A13004



# FINOLEX

## PIPES & FITTINGS

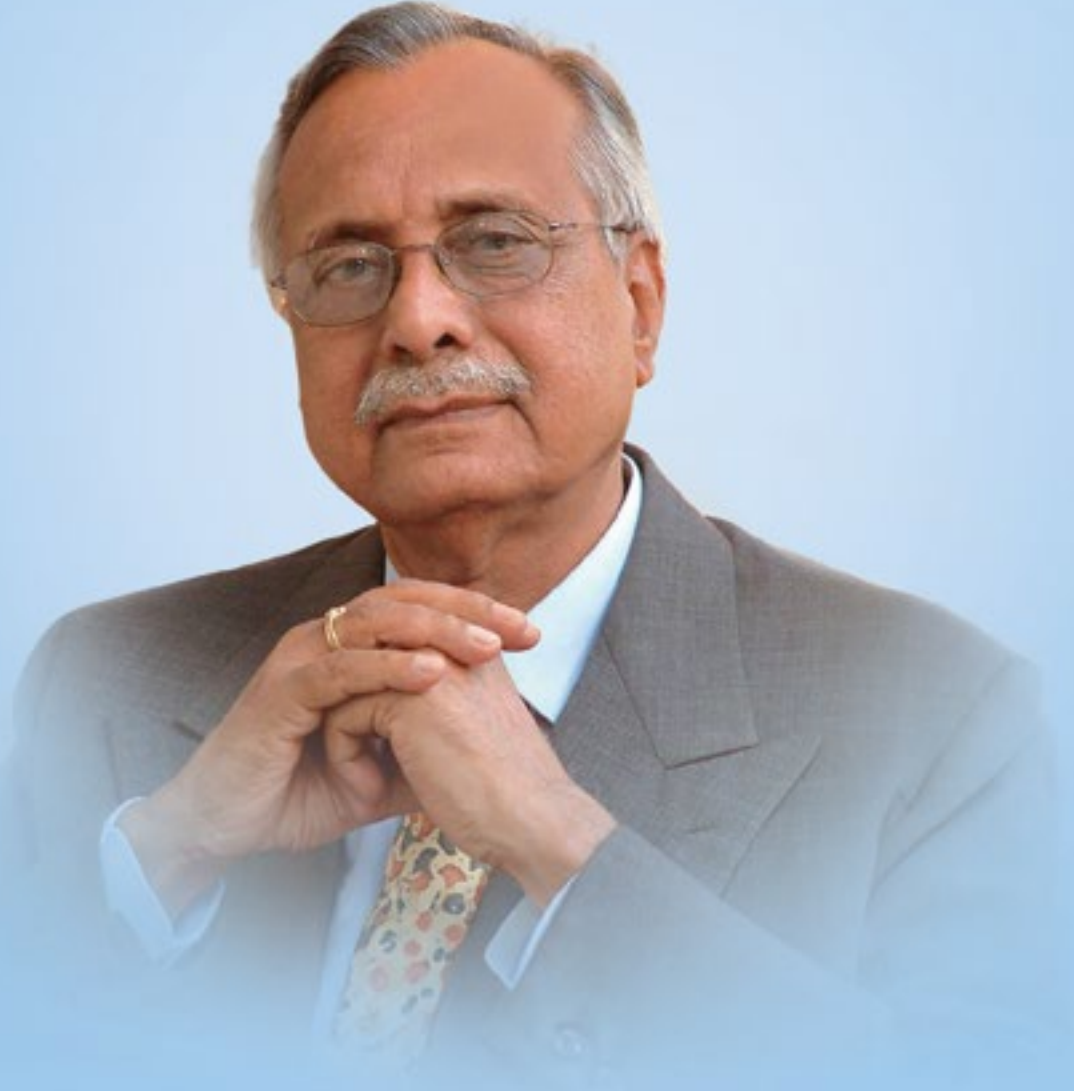
Annual Report 2024-2025

देहिनोऽस्मिन् यथा देहे कौमारं यौवनं जरा ।  
तथा देहान्तरप्राप्तिर्धीरस्तत्र न मुह्यति ॥

भगवद् गीता अध्याय २.१३

Just as in the physical body of the embodied being is the process of childhood, youth and old age; similarly by transmigration from one body to another, the wise are never deluded.

Bhagavad Gita, Ch. 2.13



“

I have not gone, just moved on.  
Each morning we are born again to  
work hard and live another beautiful  
journey...

”

Shri Pralhad P. Chhabria  
(12.03.1930-05.05.2016)

## FY25 Highlights

**₹ 4,142 Crore**

Revenue from Operations

**₹ 778 Crore**

Profit After Tax (PAT)

**₹ 476 Crore**

EBITDA

**₹ 11,164 Crore**

Market Capitalisation

As on March 31, 2025

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**Notice of 44<sup>th</sup> Annual  
General Meeting**

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# CORPORATE INFORMATION

## Board of Directors

Mr. Prakash P. Chhabria  
Executive Chairman

Mrs. Kanchan Chitale  
Independent Director

Mr. Vijay Bhatt  
Independent Director

Mr. Debabrata Sarkar  
Independent Director

Mr. Aditya Sapru  
Independent Director

Mr. Munesh Khanna  
Independent Director

Mr. Rajesh Rathi  
Independent Director

Mr. Pradeep Udhas  
Independent Director

Mrs. Ritu Prakash Chhabria  
Non-Executive &  
Non-Independent Director

Mr. Saurabh Dhanorkar  
Managing Director

Mr. Saumya Chakrabarti  
Director – Technical

## Key Managerial Personnel

Mr. Chandan Verma  
Chief Financial Officer

Mr. Dakshinamurthy Iyer  
Company Secretary & Head Legal

## Audit Committee

Mr. Vijay Bhatt, Chairman

Mrs. Kanchan Chitale

Mr. Debabrata Sarkar

Mr. Aditya Sapru

Mr. Munesh Khanna

Mr. Rajesh Rathi

Mr. Pradeep Udhas

Mr. Saurabh Dhanorkar

## Corporate Social Responsibility Committee

Mrs. Ritu Prakash Chhabria, Chairperson

Mrs. Kanchan Chitale

Mr. Vijay Bhatt

Mr. Debabrata Sarkar

Mr. Aditya Sapru

Mr. Munesh Khanna

Mr. Rajesh Rathi

Mr. Pradeep Udhas

Mr. Prakash P. Chhabria

Mr. Saurabh Dhanorkar

## Stakeholders Relationship Committee

Mr. Munesh Khanna, Chairman

Mrs. Kanchan Chitale

Mr. Vijay Bhatt

Mr. Debabrata Sarkar

Mr. Aditya Sapru

Mr. Rajesh Rathi

Mr. Pradeep Udhas

Mr. Prakash P. Chhabria

Mr. Saurabh Dhanorkar

## Nomination and Remuneration Committee

Mr. Debabrata Sarkar, Chairman

Mrs. Kanchan Chitale

Mr. Vijay Bhatt

Mr. Debabrata Sarkar

Mr. Aditya Sapru

Mr. Munesh Khanna

Mr. Rajesh Rathi

Mr. Pradeep Udhas

## Risk Management Committee

Mrs. Kanchan Chitale, Chairperson

Mr. Vijay Bhatt

Mr. Debabrata Sarkar

Mr. Aditya Sapru

Mr. Munesh Khanna

Mr. Rajesh Rathi

Mr. Pradeep Udhas

Mr. Prakash P. Chhabria

Mr. Saurabh Dhanorkar

## Auditors

Statutory Auditors: Walker Chandio & Co., LLP

Internal Auditor: Ernst & Young LLP

Secretarial Auditors: SVD & Associates, Pune

Cost Auditors: S. R. Bhargave & Co., Pune

## Solicitors & Advocates

Crawford Bayley & Co., Mumbai

## Bankers

Axis Bank Limited

Citibank N.A.

HDFC Bank Limited

Hongkong and Shanghai Banking Corporation Limited (HSBC)

ICICI Bank Limited

Kotak Mahindra Bank Limited

## Registered Office

Gat No. 399, Village Urse, Taluka Maval,  
District Pune - 410 506, Maharashtra, India  
Tel. No.: +91 2114 237251 / 253

## Corporate Office

IndiQube 'The Kode' - 11<sup>th</sup> Floor,  
S. No. 134, Hissa No. 1/38,  
Baner Pashan Link Road,  
Pune – 411 045, Maharashtra, India

## Registrar and Share Transfer Agent

KFIN Technologies Limited

Unit: Finolex Industries Limited,  
Selenium Building, Tower-B,  
Plot No 31 and 32, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad - 500 032, Rangareddy,  
Telangana India

WhatsApp: +91-910 009 4099

Toll Free: 1-800-309-4001

Email ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Corporate Registry (RIS) Website Link:  
<https://ris.kfintech.com>

Investor Support Centre Link:  
<https://kprism.kfintech.com/>

KPRISM Mobile Application:  
<https://kprism.kfintech.com/signup>

RTA Search:  
<https://www.registrarsassociation.com/>



Scan this code with  
QR reader app on your  
smartphone or tablet and  
know more about us.

CIN: L40108PN1981PLC024153  
Email: [investors@finolexind.com](mailto:investors@finolexind.com)  
Website: [www.finolexpipes.com](http://www.finolexpipes.com)

# BOARD OF DIRECTORS



**Mr. Prakash P. Chhabria**  
Executive Chairman



**Mrs. Kanchan Chitale**  
Independent Director



**Mr. Debabrata Sarkar**  
Independent Director



**Mr. Vijay Bhatt**  
Independent Director



**Mr. Aditya Sapru**  
Independent Director

- |                      |  |  |
|----------------------|--|--|
| <b>C</b> Chairperson | <b>A</b> Audit Committee                           | <b>R</b> Risk Management Committee             |
| <b>M</b> Member      | <b>S</b> Stakeholders' Relationship Committee      | <b>N</b> Nomination and Remuneration Committee |
|                      | <b>C</b> Corporate Social Responsibility Committee |  |



**Mr. Munesh  
Khanna**

Independent Director



**Mr. Pradeep  
Udhas**

Independent Director



**Mr. Saurabh  
Dhanorkar**

Managing Director



**Mr. Rajesh Rathi**

Independent Director



**Mrs. Ritu Prakash  
Chhabria**

Non-Executive &  
Non-Independent Director

**Mr. Saumya  
Chakrabarti**

Director - Technical

## COMPANY OVERVIEW

Finolex Industries Limited, a leading player in India's PVC pipes and fittings market, has made significant strides in its production capacity and product portfolio. With an annual production capacity for pipes and fittings now at 4,95,000 metric tons in FY25, up from 4,70,000 metric tons in FY24, we have solidified our position in the industry. Additionally, Finolex maintains a strong backward integration with a robust PVC resin production capacity of 2,72,000 metric tons annually.

Our diverse product range caters to various sectors, including plumbing, sanitation, and agriculture, offering solutions tailored to a wide range of customer needs.

Finolex's commitment to quality is underscored by our four state-of-the-art manufacturing facilities in Maharashtra and Gujarat. These facilities, combined with an extensive distribution network, enable us to maintain the highest standards across our value chain, reinforcing our reputation for excellence in the industry.

### Plumbing & Sanitation Pipes & Fittings

ASTM Pipes and Fittings



CPVC Pipes and Fittings



SWR Pipes and Fittings



Sewerage Pipes



## Agricultural Pipes and Fittings

### Column Pipes

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### Agricultural PVC-U Pipes and Fittings

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### Solvent Cement & Lubricants

---



### Casing Pipes

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### Newly Introduced Fittings

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Our Presence

# ACROSS INDIA, CLOSER TO YOU

Our presence connects us to every corner of India, bringing our pipes and fittings to homes, farms, and infrastructure projects across the nation. Through a strong manufacturing base and an extensive distribution network, we ensure that quality and reliability reach customers wherever they are.



# TEN-YEARS' FINANCIAL HIGHLIGHTS

## (On Standalone basis)

₹ in crore

Particulars	IND AS									IGAAP
	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
PROFIT AND LOSS ACCOUNT										
Revenue from Operations	4,142	4,317	4,397	4,647	3,462	2,985	3,091	2,738	2,602	2,482
EBITDA*	476	585	293	1,024	989	447	604	484	563	404
EBIT **	369	469	203	940	912	374	534	423	508	354
Profit Before Tax	1,005	613	297	1,385	977	393	536	439	517	373
Profit After Tax	778	455	237	1,053	728	324	350	299	352	254
Dividend [Proposed for FY25]	223	155	93	248	248	150	150	150	172	149
BALANCE SHEET										
Share Capital ***	124.10	124.10	124.10	124.10	124.10	124.10	124.10	124.10	124.10	124.10
Net Worth	5,978	5,538	4,825	3,864	3,073	1,930	2,528	2,765	2,291	1,570
Loan Funds	221	382	526	278	204	283	91	101	94	112
Gross Block	2,840	2,735	2,644	2,461	2,399	2,334	2,199	1,179	1,982	1,923
Operating Capital Employed	1,442	1,368	1,184	1,402	1,402	1,668	1,681	1,473	1,330	1,113
KEY RATIOS										
EBITDA (%)	11.49%	13.55%	6.65%	22.03%	28.57%	14.99%	19.55%	17.68%	21.63%	16.30%
Return on Capital Employed (%) ****	25.59%	34.27%	17.17%	67.09%	65.03%	22.39%	31.77%	28.75%	38.19%	31.78%
PAT (%)	18.78%	10.55%	5.38%	22.67%	21.03%	10.86%	11.32%	10.90%	13.53%	10.25%
Earnings Per Share (₹)	12.58	7.36	3.82	16.98	11.73	5.23	5.64	4.81	5.68	4.10
Debt to Equity	0.04	0.07	0.11	0.07	0.07	0.15	0.04	0.04	0.04	0.07
Dividend Payout (%)	28.72%	33.95%	39.34%	23.56%	34.09%	46.15%	42.77%	50.11%	48.77%	58.71%
Interest Coverage (times)	16	16	11	73	136	40	49	49	37	9
Book Value Per Share (₹)	97	90	78	62	50	31	41	45	37	25
Market Capitalisation (₹)	11,164	15,292	10,585	9,596	7,864	4,848	6,071	8,187	7,185	4,519

\* EBITDA - Earnings before exceptional item, Interest, Tax, Depreciation and Amortisation (excluding other income)

\*\* EBIT - Earnings before exceptional item and Interest (excluding other income)

\*\*\* The Company's total paid-up share capital stands at ₹124.10 crore, comprising 62,04,76,905 fully paid-up equity shares of ₹2/- each. Following the consolidation of Finolex Industries Limited Employees' Welfare Trust, an amount of ₹0.43 crore representing 21,63,000 fully paid-up equity shares of ₹2/- each has been adjusted against the total paid-up share capital of the Company.

\*\*\*\* Return on capital employed - EBIT / Capital employed

## MESSAGE FROM THE CHAIRMAN



### Dear Shareholders,

As we celebrate 44 years of excellence, we reaffirm our commitment to delivering high-quality pipes & fittings. This dedication has consistently guided our decisions, earned the trust of our customers, and cemented Finolex's reputation for quality, reliability, and integrity.

The Finolex Group of companies was founded by the late Shri. Pralhad P. Chhabria in 1958. His guiding principles of humility, a focus on fundamentals, an emphasis on quality has inculcated a culture of on-going learning, and striving for excellence. This has shaped our Company and continues to be his legacy, which we follow to this day. His vision and leadership have been pivotal, supported by the collective efforts of a dedicated team, to make Finolex the market leader it is today.

In line with our customer-first philosophy, we have introduced several impactful initiatives this year. Among them is the launch of more than 50 new fittings SKUs, which has further expanded our product portfolio and ensured that our offerings are more aligned with evolving customer needs.

We have also significantly strengthened our brand presence across both on-air and digital platforms. Through targeted campaigns across major channels, digital platforms, and sports networks, we have achieved strong visibility among diverse audiences. Strategic brand placements during the IPL, collaborations with top-rated OTT content creators, and regional influencer tie-ups on leading TV networks have created a culturally resonant brand profile.

During FY25, Finolex has further strengthened its position as a trusted and respected brand. Among our notable achievements:

- Sales Volume: 3.4% growth to 3.48 Lakh MT of PVC pipes and fittings, despite subdued demand scenario.
- Earnings Per Share: ₹12.94 (on a consolidated basis).
- Dividend: ₹ 3.60 per share.
- Production Capacity: Expanded to 4,95,000 MT for pipes & fittings.

We remain steadfast in our commitment to sustainable practices and have made notable progress across several key areas in FY25. Our renewable energy usage share saw a substantial increase, rising from 3.2% in FY24 to 11.14%. In terms of water conservation, we harvested over 4,67,000 kilolitres of rainwater, a significant improvement from the 3,00,000 kilolitres collected the previous year. Additionally, we recycled more than 3,11,000 Kilolitres of effluent back into our processes, compared to 2,60,000 Kilolitres in FY24, which led to a reduction in freshwater consumption by over 35%. Our efforts to reduce carbon emissions also yielded impactful results, with more than 31,000 tonnes of CO<sub>2</sub>e emissions avoided in FY25, up from 20,000 Tonnes the year before.

### A Decade of Purpose-Driven Partnership

Having completed 10 years of meaningful partnership with Mukul Madhav Foundation (MMF), our collaboration continues to be grounded in compassion, dignity, and inclusive development. Our CSR efforts, under the leadership of Mrs. Ritu Prakash Chhabria, Chairperson – CSR Committee and Managing Trustee – MMF, go beyond financial contributions. Finolex employees are actively engaged through site visits, project inaugurations, monitoring, and reporting—bringing our teams closer to the communities we serve.

## Impact Overview across Key Sectors in the last 10 years

### Healthcare

Partnered with 100+ hospitals to upgrade infrastructure, enhance service delivery, train medical personnel, and support patients. Notable transformations have taken place at institutions such as Sassoon General Hospital, Symbiosis University Hospital, Rajiv Gandhi Hospital, and Sonawane Hospital in Pune.

### Education

Established over 500 institutional scholarships across diverse fields including Engineering, Nursing, Agriculture, Radiology, and Medicine—empowering students from underserved backgrounds to pursue professional careers.

### Sanitation

Constructed 2,000+ household, community, and institutional toilets, including sanitation facilities in schools and public spaces. Promoted menstrual hygiene through the creation of eco-friendly, period-positive holiday homes.

### Livelihood and Skilling

Supported over 7,000 women farmers through capacity building, legal aid, digital literacy, farm mechanization, and access to sustainable livelihood opportunities.

### Water and Environmental Conservation

Implemented 75+ water conservation projects, including borewell installations, construction of continuous contour trenches (CCTs), canal deepening and widening, and participation in water cup initiatives to ensure water security.

### Rural Development

Enhanced rural infrastructure by installing solar streetlights, constructing a state-of-the-art central agricultural testing laboratory, adopting villages, and supporting integrated development through improved access to water, sanitation, education, and livelihood programs.

Each project has been grounded in a deep understanding of community realities, through direct engagement at the grassroots—not filtered through hierarchy or distance—and maintains a robust evaluation and follow-up process with trusted partners, including national, international, and local institutions, ensuring transparency and sustainable impact.

This journey is a reflection of the values passed down by our founder—values of service, humility, and respect towards every human being. As we complete this decade of impact, we remain committed to giving hope to those in our society who may feel they don't have the right to be hopeful.

Our journey of growth is anchored in enduring partnerships with customers, dealers, vendors, employees, policymakers, government institutions, banks, associates, and agencies. Their trust and spirit of collaboration drive our purposeful progress and empower us to deliver lasting value. I take this moment to acknowledge and thank our board members for their commitment and strategic leadership that is fundamental to the Company's success. Together, we will continue to build a brighter, more sustainable future, ensuring Finolex remains synonymous with excellence and reliability.

As we look ahead, we remain focused on driving innovation across our product portfolio, elevating service quality, and delivering exceptional customer experiences. With integrity and customer satisfaction at the core of our efforts, we are committed to upholding our environmental and social responsibilities while ensuring operational excellence. We are excited about the path forward and remain dedicated to our purpose: building a better tomorrow—innovative, inclusive, and sustainable.

Thank you for your continued support and trust in Finolex. We look forward to achieving new milestones together.

Warm regards,

**Prakash Pralhad Chhabria**

Executive Chairman

Business Model

BUILDING VALUE, STEP BY STEP

We create value by transforming quality inputs into reliable pipes and fittings that support India's infrastructure, agriculture, and communities. Our business model is structured for efficiency, resilience, and long-term impact.

Framework

Manufacturing Facilities

4

Production Capacity  
**2,72,000 MT/  
Annum**

Total Production Capacity of PVC Resin

**4,95,000 MT/  
Annum**

Total Production Capacity of  
PVC Pipes & Fittings

Our Talent and Expertise

**1,499**  
Employees

**35,792**  
Training Hours

Robust Resource Base

**₹ 5,978 Crore**  
Net Worth

**₹ 2,535 Crore**  
Free Cash (Net)

Strong Community  
Relationships

**₹ 28.50 Crore**  
CSR Spend

Credit Ratings

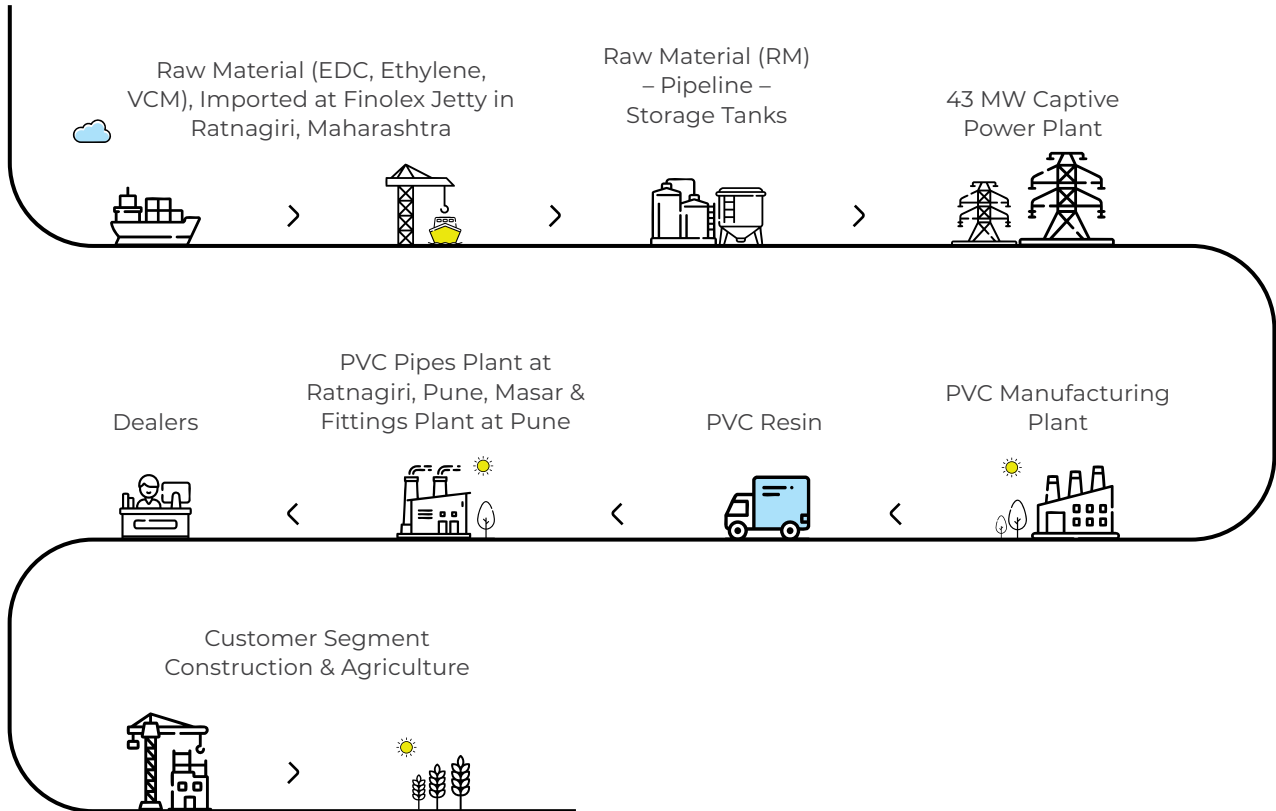
**AA+ Stable**  
Maintained long-term credit rating –  
AA+ (Stable) - CRISIL / India Ratings

**A1+**  
Maintained short-term credit rating –  
CRISIL / India Ratings

Debt - Free

**NIL**  
Long-term debt as on March 31, 2025

## Business Process



## Value Created

**₹ 12.58**

Earnings per Share

**₹ 778 Crore**

Profit After Tax

**₹ 4,142 Crore**

Revenue from Operations



## Branding &amp; Marketing

## SHAPING CONNECTIONS: BRAND AWARENESS AND MARKETING INITIATIVES

We have continued to strengthen our presence across India through innovative, culturally relevant marketing. Our 360-degree approach, spanning digital storytelling, retail branding, and on-ground activations, ensures our pipes and fittings remain the preferred choice for plumbers, dealers, retailers, farmers, and end-users nationwide.

### Elevating Visibility: Brand Awareness and Marketing Initiatives

Over the past year, our pipes and fittings have further solidified its reputation as a trusted choice among plumbers, dealers, retailers, farmers, and end-users across India. Through a comprehensive, strategically executed 360-degree omnichannel approach, we have significantly enhanced brand visibility and stimulated demand across key markets.

From compelling digital storytelling and high-impact social media campaigns to immersive retail branding, eye-catching out-of-home (OOH)

displays, and targeted below-the-line (BTL) activations, every touchpoint showcases our innovation and customer focus.

Our initiatives have not only amplified our presence but also deepened our connection with diverse audiences, cementing Finolex Pipes & Fittings as the preferred brand across sectors. With every campaign, we create moments, build relationships, and reinforce why our pipes and fittings are the preferred choice, year after year.

### Strengthening Generational Trust: “Peedhiyan Badlengi, Pipe Nahin” Campaign continues in FY25

Building on the success of our FY24 campaign, Finolex Pipes & Fittings proudly continued “Peedhiyan Badlengi, Pipe Nahin” into FY25, celebrating the trust and legacy of plumbers across generations.

Inspired by voices from our 38,000+ retailers and dealers, the campaign reinforces the enduring quality and reliability of Finolex Pipes and Fittings—a brand plumbers confidently endorse. As demand grows in both retail and project sales, this initiative further strengthens stakeholder trust and brand preference.

While times may change, trust in Finolex Pipes & Fittings remains undeterred.



## TV and Digital Campaigns: Commanding attention across Screens and Regions

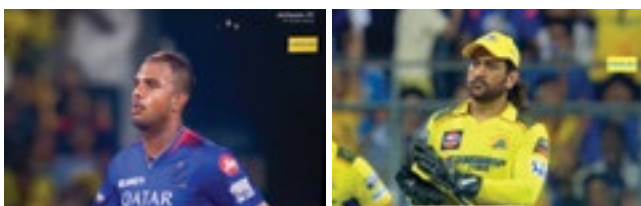
Over FY25, we expanded our media presence, establishing a strong brand footprint across both television and digital platforms. Our campaigns reached audiences nationwide through leading national and regional TV channels, multilingual digital platforms, and sports networks, ensuring our pipes and fittings remained visible and relevant across geographies and demographics.

What sets our efforts apart is the innovative integration of brand messaging across formats and languages. Strategic advertisements placements during cricket broadcasts, dynamic social media collaborations, and regional influencer partnerships created a seamless, culturally relevant brand experience. Sponsorships and targeted media bursts during peak buying seasons kept Finolex Pipes & Fittings at the forefront.

By combining creativity with precision targeting, we have maximised visibility and deepened engagement, reinforcing Finolex Pipes & Fittings as the preferred choice across every screen, in every language, and every region.



Finolex Pipes & Fittings featured reels based on TVF's popular series, reinforcing our presence in everyday Indian homes.



Finolex logo featured during IPL, strengthening our brand presence on India's biggest sporting stage.



Weather branding campaign on popular regional TV news channels in focused markets.



Collaboration with local TV celebrities - Finolex Pipes & Fittings—trusted in every home, every story.



Product awareness campaign on Social media platforms



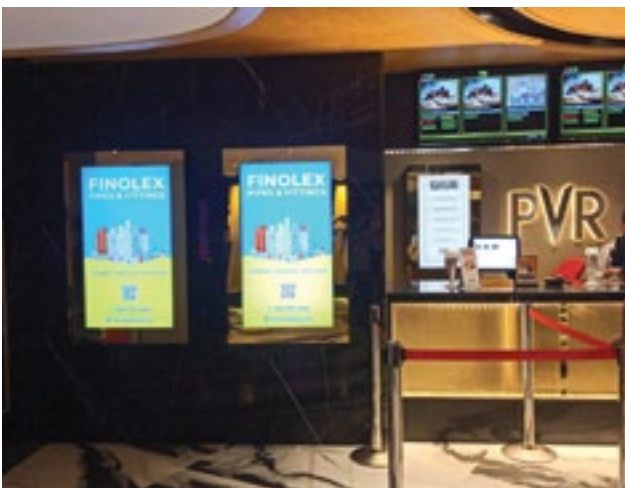
## Cinema & Infilm Branding: Lighting Up the Silver Screen

Tapping into India's enduring love for cinema, especially in the southern markets, we have taken our brand storytelling to new heights through immersive in-film and cinema branding initiatives. In FY25, we moved beyond conventional placements, embracing cinematic innovation to create memorable brand moments for our pipes and fittings.

From strategic integrations in regional blockbusters to high-impact branding during festive releases, our presence was felt across theatres in multiple

languages and states. We also pioneered short-format branded films and hyperlocal cinema activations, blending entertainment with our messaging to forge deeper connections with audiences.

By aligning with culturally resonant narratives and leveraging the power of regional cinema, we continue to strengthen brand affinity, making every screening an opportunity to engage, inspire, and connect with viewers across India.



Finolex Pipes & Fittings visible in leading cinema chains across multiple cities.



Infilm brand integration in South Indian movies



## Festive & Topical Campaigns: Storytelling that wins Hearts and Awards

Our festive and topical campaigns have become a powerful platform to showcase the creativity, cultural relevance, and emotional resonance of our pipes and fittings. In FY25, we brought our brand to life through compelling narratives centred around iconic Indian festivals, such as Diwali, Ganesh Chaturthi, Navratri, Rath Yatra, Pandharpur Wari, Kumbh Mela, and harvest celebrations.



Diwali: Award winning video campaign for Diwali



Navratri: Social media campaign for Navratri using generative AI

Award-winning short films and purpose-driven storytelling reflected our brand values, leaving a lasting impact on audiences. We embraced generative AI for content creation and influencer and personalisation. Each campaign was rooted in multicultural storytelling, celebrating tradition while seamlessly weaving in our brand ethos.

These initiatives did more than engage—they sparked conversations, strengthened community bonds, and earned industry accolades. By turning cultural moments into meaningful brand experiences, we reinforced Finolex Pipes & Fittings as a brand that resonates with every generation.



Finolex Pipes & Fittings at the Maha Kumbh Mela



Social media campaign for Ganesh Chaturthi & Harvest festivals using generative AI



Finolex Pipes & Fittings at the regional mega festivals of Pandharpur Wari & Puri Rath Yatra





## Print Media Outreach: Strengthening Traditional Connections

Through culturally relevant and traditionally rooted print media such as newspapers and calendars, we have successfully implemented mass-reach activities that resonate with local values and customs. These strategic campaigns foster strong emotional connections with communities while enhancing brand visibility and recognition. By aligning with regional traditions and leveraging familiar formats, we have deepened trust and built a more relatable brand presence across diverse geographies.



Festive and Brand Ads in regional newspapers and Kalmirnay Calendar



## Retail Branding and Outdoor Marketing Activities: Making a Mark on the Ground

Our on-ground marketing activations have brought our pipes and fittings closer to communities, creating memorable and culturally relevant experiences that deepen engagement and reinforce trust in Finolex Pipes & Fittings. By aligning these activities with regional celebrations and traditions, we have built meaningful connections across diverse markets.

Our retail and outdoor branding initiatives have significantly increased visibility and strengthened our presence in both metro cities and high-growth emerging markets. Vibrant dealer boards, wall wraps, high-impact hoardings, bus and auto branding, and transit media have established a strong, recognisable brand footprint across key regions. Participation in local events and exhibitions, such as the Pune Cyclothon, further enhances our outreach and community involvement.



Elevating Brand Visibility through impactful Retail Branding

# CORPORATE SOCIAL RESPONSIBILITY

At Finolex Industries Limited (FIL), we believe in creating meaningful, lasting change through a collaborative approach that transcends boundaries.

This belief finds deep expression through the work of Mukul Madhav Foundation (MMF), our CSR partner. Together, we strive to bring about growth that is not just economic but deeply human.

## Partners in Empowerment

MMF is a registered charitable trust established in Pune in 1999, operating across India. We joined forces with our CSR partner in 2014 with a vision to create sustainable progress. What began around the familiar environment of our factories has since moved far beyond our comfort zones, into new and unfamiliar terrains. It was a leap of faith, driven by belief in our purpose. Now celebrating over a decade of partnership and presence across 24 states in India, our focus remains on uplifting vulnerable and underserved communities.

Through initiatives spanning education, healthcare, sanitation, environmental support, and social welfare, we have built strong, lasting foundations where individuals and communities can prosper. This section highlights our journeys and the lives we have impacted along the way.

The Foundation's work rests on three core principles: dignity, inclusion, and self-reliance.

These values are not just words; they guide every single action. Every initiative begins with listening to the individuals and communities we hope to serve. As Mrs. Ritu Prakash Chhabria, Managing Trustee and Co-founder of MMF, and Director at FIL, often says, 'We first listen to the beneficiaries—only then do we act.' This approach builds trust, community ownership, and self-sustained growth.

### Our Vision in Action

At FIL, CSR is not just a legal obligation; it is a reflection of our core values. Through MMF, we bring this belief to life by reaching communities with compassion, dignity, and a commitment to creating a lasting impact. This partnership brings our vision to life, delivering meaningful interventions to some of the most marginalised regions of the country. From strengthening rural healthcare and improving access to Water, Sanitation, and Hygiene (WASH), to improving educational infrastructure, youth skilling, and supporting women farmers, every initiative is rooted in real community needs. Powered by trusted local partners, we aim to build dignity, resilience, and opportunity—one step at a time.

### Recognition Where it Matters Most

Some of the most meaningful recognition comes not through awards, but in quiet moments - A parent entrusting us with their child's therapy, a thank-you

from a student receiving a scholarship, the smile of a widow farmer who is now debt-free. We are grateful for the continued trust placed in us by the local government authorities and our on-ground collaborators across India, who have been pivotal in providing executional support.

### A Future Rooted in Purpose

Together, FIL and MMF are not just delivering CSR; we are supporting transformation. And we are just getting started.

'I am honoured to be celebrating over a decade of partnership between FIL and MMF, the first of many milestones to come. Ten years into our partnership, we remain driven by fresh ideas, energy, and a shared purpose: uplifting the lives of those around us. Driving real change, our approach is always rooted in a balance of intellect, compassion, and sustainable solutions.

Together, we have been able to amplify our impact and are proud to have the MMF team at the centre of it all. They bring their skills, passion, and expertise to the table, making a tangible difference where it's needed most. I would like to thank our Board of Directors, our valued channel partners, and the entire Finolex Parivar and MMF teams for their support in every cause and for helping us bring meaningful change to the world around us.

Some may wonder why we operate in so many spaces, but the answer is simple: because the need exists. For many underserved communities, even basic resources remain out of reach. In moments like these, choosing one over the other isn't always an option. Each cause we support is a response to a real and urgent call. With the combined strength of our people and partners, we continue to meet these challenges with humility, compassion, and intent.

We are dedicated to shaping a future where progress is not just a vision, but a reality.

### Mrs. Ritu Prakash Chhabria

Co-Founder and Managing Trustee,  
Mukul Madhav Foundation

Chairperson, CSR Committee,  
Finolex Industries Limited

## Key Highlights FY25

### 24

Indian states and four Union Territories where we are active.

### 1,00,000+

Beneficiaries supported through public health initiatives.

### 17,765

Residents in Maharashtra and Gujarat benefitted from water security projects.

### 10,763

Trees planted in Maharashtra and Gujarat.

### 2,463

Persons with disabilities supported with therapy, surgeries, and rehabilitation in Assam, Tamil Nadu, Maharashtra, Gujarat, Goa, Karnataka, Madhya Pradesh, Rajasthan, and Jharkhand.

### 15,444

Olive Ridley turtle eggs protected in Ratnagiri, Maharashtra.

### 16,360

Beneficiaries received monthly rations, diapers, and mid-day meals across Maharashtra, Gujarat, Karnataka, and Rajasthan.

### 342

Artisans seeking sustainable livelihoods supported across India.

### 6,169

Farmers empowered through legal aid, seed donation, training, and entrepreneurial skills in Maharashtra, Gujarat, Odisha, and Tripura.

### 3

New Period Positive Holiday Homes constructed in the tribal area of Gadchiroli, Maharashtra, in continuation of the ongoing commitment to support menstruating women whose families have abandoned them. Now totalling 24, these homes offer monthly comfort, care, and a dignified stay, along with opportunities for skill development, ensuring a safe and supportive environment for women in need.

### 14,000

Individuals reached across six blocks in four districts of Bihar under the 'Child-Friendly Villages in Bihar' programme. A child-friendly village creates a safe, supportive environment that promotes child protection, education, and community resilience.

### 3,950

Students supported under the WASH (Water, Sanitation and Hygiene) initiative across Bihar, Rajasthan, Tamil Nadu and Maharashtra.

## Empowered People, Empowered Nation

The United Nations Sustainable Development Goals (UNSDGs), adopted in 2015, provide a global blueprint for addressing critical challenges like poverty, inequality, and climate change. India has not only committed to these goals but has embedded them into national policy, most notably through the CSR framework of the Companies Act, 2013. At FIL, we take this responsibility seriously.

MMF plays a vital role in aligning our CSR actions with the UN SDGs ensuring every initiative reflects both national priorities and local realities. In FY25 alone, MMF's work touched all 17 UNSDGs and 15 of the 16 CSR spectrums.

Source:

[United Nations Website](#)  
[Mission Cerebral Palsy](#)  
[Skills and Livelihoods Initiatives](#)  
[Niti Aayog Website](#)





**“End poverty in all its forms everywhere\*.”**



**“End hunger, achieve food security and improved nutrition, and promote sustainable agriculture\*.”**

Finolex and MMF address the interconnected challenges of poverty and hunger by creating long-term livelihood opportunities while also supporting immediate food security needs. Through sustained agricultural support and nutritional interventions, the organisations focus on empowering marginalised individuals and families to become self-reliant and resilient.

Location	Initiative	Implementation Approach / Activity	Impact
Osmanabad, Maharashtra	Livelihood and food security support for widows	Legal aid, agricultural training, and high-quality seed donation were provided to widows over seven years	<b>811</b> widows supported through sustained interventions; <b>347</b> exited the programme after becoming self-sufficient and financially independent
Mokhada, Palghar, Maharashtra	Nutrition support in 10 Zilla Parishad schools	Soya milk was distributed through Soya Mate machines provided in 2022	<b>540</b> students received daily soy milk, addressing early malnutrition
Maharashtra, Gujarat, Karnataka, Rajasthan, Tamil Nadu	Monthly grocery distribution	Monthly groceries provided to 65 institutions across multiple states	<b>7,952</b> individuals from orphanages, old-age homes, homes for the visually impaired, and similar institutions were supported.
Pune, Nashik, Mumbai, Pondicherry	Mid-day meal distribution	Meals served via partner organisations such as Sadhu Vaswani Mission, Annamitra Foundation, Sai Ashray, Poona Women's Council School, Jeevan Asha Charitable Trust, and Auroville Ashram	<b>4,500+</b> meals served monthly to the underprivileged in various institutions and on pavements



High-quality seeds were donated to widows in Osmanabad, Maharashtra, to strengthen livelihoods and promote food security.



Children from 10 Zilla Parishad schools in Mokhada, Palghar, Maharashtra, received daily soya milk to combat early-stage malnutrition and support their foundational health.



Supply of monthly groceries to over 65 institutions across 5 states.

\* Source: <https://sdgs.un.org/goals>





Hot-meal initiatives beneficiaries.





## “Ensure healthy lives and promote well-being for all at all ages\*.”

Finolex Industries and MMF strengthen public health access, early detection, maternal and child care, and rehabilitative support through strategic healthcare partnerships. Special attention is given to underserved populations in rural, tribal, and low-income urban areas.

Location	Initiative	Implementation Approach / Activity	Impact
Gadchiroli, Maharashtra	Health and nutrition interventions	Partnered with SEARCH (Society for Education, Action and Research in Community Health) NGO; delivered SRHEYA (Sexual and Reproductive Health Education for Young Adults) sessions to adolescents and youth	<b>90,000</b> mothers, adolescents and youth reached
Ahmedabad, Gujarat	Saath Unmet Surgery support project	Collaborated with Saath Charitable Trust and hospitals to provide screenings and surgeries	<b>55,000</b> individuals screened; 163 unmet surgical needs addressed in vulnerable communities
Junnar, Pune, Maharashtra	S-CAN (Strengthening Community Action for Nutrition) tribal nutrition initiative	Nutri-gardens, child food corners, and community mobilisation improved child health and nutrition	<b>958</b> children under the age of six supported through community-based nutrition systems
Pune, Maharashtra Navi Mumbai, Maharashtra	Hospital infrastructure & medical equipment	Provided equipment and upgrades to KEM, Sassoon, Ayurveda, Symbiosis, N.M. Wadia, Navale, Khadki Cantonment Hospital, Indian Red Cross Society Upgraded facilities at St. Jude's paediatric cancer care centre in Kharghar	<b>21,000+</b> patients benefited across multiple hospitals 200 families supported during cancer treatment  <b>200</b> families supported during cancer treatment
Rishikesh, Uttarakhand	Palliative care support	Palliative care wing (Finolex Wing) constructed at Ganga Prem Hospice	<b>1,000+</b> individuals with terminal health conditions received holistic care
Across India	Financial medical aid	Individual assistance provided for surgeries and treatments for various medical ailments.	<b>1,300+</b> patients supported
Maharashtra	Health camps	Organised school, geriatric, and truck driver health camps in Pune, Satara, Ratnagiri	<b>8,993+</b> individuals screened
Pune and Ratnagiri in Maharashtra	Mammography camps	Camps held monthly at Bharati Hospital and biannually at Walawalkar Hospital	<b>3,600+</b> women screened; supported through counselling and follow-up

Location	Initiative	Implementation Approach / Activity	Impact
Pune, Daund, Karad, and Jalgaon in Maharashtra; Chennai and Coimbatore in Tamil Nadu; Vadodara in Gujarat; and Sonapur in Assam	Type 1 Diabetes support for children awareness and screening for thalassemia and diabetes	Monthly camps are held at eight satellite centres, providing patients for ongoing research at KEM Hospital Sessions delivered in colleges and universities with support from haematologists and diabetologists	<b>300</b> children received continuous care, including timely blood tests, insulin, and diagnostics <b>5,000</b> students sensitised; <b>52</b> diagnosed with thalassemia minor and supported with counselling and further treatment
Pune, Maharashtra and Vadodara, Gujarat	Thalassemia treatment support	Monthly transfusions, medication, and educational assistance were provided through The Wishing Factory, Thalassemia Society of Pune Chapter, Bharati Hospital	<b>202</b> patients supported
Maharashtra, Rajasthan, Gujarat, and Uttar Pradesh	Tuberculosis (TB) care and nutrition support	Monthly nutrition kits and essential medicines were distributed in partnership with the National TB Elimination Programme (NI-KSHAY)	<b>2,231</b> TB patients supported
Pune, Maharashtra	Cervical cancer awareness and vaccination	Subsidised Human Papillomavirus (HPV) vaccines were administered to adolescents through wellness drives	<b>198</b> girls and boys vaccinated
Imphal, Manipur and Bengaluru, Karnataka	Paediatric heart surgeries	Surgeries were facilitated in partnership with Healing Little Hearts UK for underweight children with critical cardiac conditions	<b>81</b> children underwent life-saving heart procedures
Across India	Cleft lip and palate surgeries	Reconstructive surgeries were supported through Mission Smile to improve the quality of life for children	<b>66</b> children received corrective surgical care
Pune, Maharashtra and Hazaribagh, Jharkhand	Cataract surgeries conducted for paediatric and elderly patients	Surgeries conducted monthly through partner hospitals, including H. V. Desai Hospital, Bharati Hospital, and Tarachand Hospital in Pune, Maharashtra, and Nav Bharat Jagriti Kendra (NBJK) in Hazaribagh, Jharkhand	<b>1,123</b> surgeries conducted to restore sight
Pune, Maharashtra	Dialysis treatment	Monthly dialysis support at Seth Tarachand Hospital	<b>50</b> patients supported with improved access to dialysis



Health and nutrition interventions in Gadchiroli, Maharashtra, reached mothers, children, adolescents, and youth that promoted reproductive health awareness and positive behavioural change.



Under the SAATH Surgery Support Project, individuals in Ahmedabad, Gujarat, were screened and supported with 163 surgeries to address critical unmet healthcare needs.







Medical equipment and infrastructure support extended to hospitals.



Health screening camps were conducted across Maharashtra and Gujarat for school students and senior citizens.



Health screening camps were conducted across Maharashtra and Gujarat for truck drivers to promote early detection and wellness.



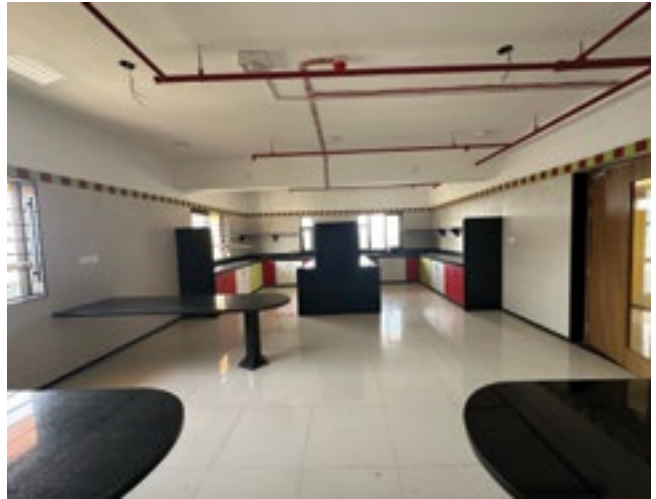
The Finolex Wing was constructed at Ganga Prem Hospice in Rishikesh to offer palliative care to individuals with terminal illnesses.

Bi-yearly mammography camps in Ratnagiri, Maharashtra



Over 3,600 women screened and supported through mammography camps in Maharashtra, with monthly and biannual outreach enabled by partner NGOs.





Infrastructure and facility enhancements were undertaken at St. Jude's Cancer Care Centre in Navi Mumbai to support families and caregivers during paediatric cancer treatment.



Children with Type 1 Diabetes receive ongoing care and support through monthly camps and satellite centres across Maharashtra, Tamil Nadu, Gujarat, and Assam.





Students across Maharashtra benefitted from awareness sessions and screening initiatives focused on thalassemia and diabetes.



Patients with tuberculosis received monthly nutrition kits and essential medicines through MMF's partnership with the National TB Elimination Programme across seven locations in India.



Adolescent girls and boys received HPV vaccinations through awareness and wellness initiatives promoting preventive healthcare.





Life-saving heart surgeries on underweight babies were conducted across India through MMF's collaboration with Healing Little Hearts, United Kingdom.



Reconstructive surgeries were provided to children with cleft lip and palate through MMF's partnership with Mission Smile.



Monthly paediatric and geriatric cataract surgeries were conducted across Maharashtra and Jharkhand.



Dialysis patients received support through treatment and equipment upgrades at hospitals in Pune, improving access to critical care services.



Hirvya Devachi jatra - Food group discussion for nutritional needs - Junnar.



## “Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all\*.”

Finolex Industries and MMF promote lifelong learning through school infrastructure upgrades, foundational literacy support, scholarships, and continued access to quality teaching. By addressing systemic educational gaps and supporting vulnerable learners, these interventions bring about continuity in learning and promote long-term educational equity.

Location	Initiative	Implementation Approach / Activity	Impact
Padra Block, Vadodara, Gujarat	Road to School programme	Life skills, English fluency, ICT skills, and career guidance delivered across five schools in partnership with Learning Links Foundation	<b>2,000+</b> students supported; enhanced digital literacy and career readiness
Tura Region, West Garo Hills, Meghalaya	Foundational learning support	Strengthening learning among Grades I–V across 10 government primary schools in Meghalaya through structured activities in health, wellness, sports, and arts, along with regular PTMs and stakeholder meetings to strengthen community involvement	<b>1,000</b> students aged between 6 and 10 benefitted from a holistic learning environment
Across India Maharashtra and Gujarat	Infrastructure support in schools teacher support	Enhancements such as benches, solar panels, RO filters, toilets, computers, warm clothing, and learning materials were provided to improve school environments Provided honorarium to teachers across regions	<b>4,915</b> students benefitted through a more enriched learning environment <b>30</b> teachers supported
Across India	Individual education assistance	Students pursuing primary, secondary, and professional courses across India were supported with financial assistance	<b>185</b> students supported
Maharashtra, Rajasthan, West Bengal	Scholarship support for children from underprivileged, tribal, and leprosy-affected families.	Scholarships were facilitated through partnerships with institutions such as Agricultural Colleges in Maharashtra, the College of Engineering Pune (COEP), Lila Poonawalla Foundation, B.J. Medical College in Pune, Maharashtra, Rashtriya Bal Kalyan Samiti in Udaipur, and Udayan Trust in Kolkata	<b>460</b> students supported in agriculture, nursing, engineering, medicine, primary and secondary schooling



Location	Initiative	Implementation Approach / Activity	Impact
Ratnagiri, Maharashtra	Infrastructure development at Mukul Madhav Vidyalaya	Classroom repairs, new construction, and routine maintenance were undertaken	<b>539</b> students benefitted through improved facilities
Ratnagiri, Maharashtra	Academic support at Mukul Madhav Vidyalaya	Dedicated classroom allocated for CET coaching to empower students in pursuit for higher education	<b>25</b> students benefitted through coaching



Students in Gujarat and Meghalaya benefited from educational and holistic development initiatives.



Students across India benefitted from enhanced school infrastructure, including new benches, solar panels, RO filters, toilets, computers, warm clothing, and learning materials.



Sweaters distributed in Panchgani Municipal School, Maharashtra.



Scholarships given to tribal students at Rajasthan Bal Kalyan Samiti (RBKS), Rajasthan.





Teachers in Maharashtra and Gujarat received honorarium assistance.



Students received scholarships in fields like agriculture, nursing, engineering, and medicine, enabling access to higher education through reputed institutions.



Mukul Madhav Vidyalaya in Ratnagiri, Maharashtra.



Solar panels installed at Mukul Madhav Vidyalaya, Ratnagiri, Maharashtra.



Morning prayer assembly at Mukul Madhav Vidyalaya, Ratnagiri, Maharashtra.



Esteemed faculty of Mukul Madhav Vidyalaya, Ratnagiri, Maharashtra.



**“Achieve gender equality and empower all women and girls. This also addresses various aspects of gender equality including discrimination, lack of access to resources and opportunities\*.”**

Finolex Industries and MMF work towards achieving gender equity by promoting access to safety, skill development, and healthcare, especially for individuals from underprivileged and tribal regions. This empowers women to get access to better opportunities within agriculture and entrepreneurship.

Location	Initiative	Implementation Approach / Activity	Impact
Mumbai, Maharashtra	Holistic community development in slums	In partnership with Rangoonwala Foundation (India) Trust, focusing on education, parenting, career guidance, health, and senior citizen engagement in marginalised communities	<b>10,705</b> individuals benefitted including 5,189 children, 1,600 women, and 1,180 senior citizens
Nashik and Khandala in Maharashtra; Bundelkhand, Uttar Pradesh; Silvassa and Padra in Gujarat	Agricultural skill-building for women	Sustainable farming and rural livelihood programmes implemented in partnership with Bharatiya Agro Industries Foundation (BAIF)	<b>6,169</b> women farmers trained in agriculture and rural enterprise
Pune, Satara in Maharashtra; Jaipur in Rajasthan; Vadodara in Gujarat	Jail rehabilitation and infrastructure programmes	Inmates received vocational training in sustainable agriculture and nursery development in Pune, fast food processing in Satara, plumbing in Vadodara, and well rejuvenation support in Jaipur	<b>730</b> inmates supported across four jails through skilling and infrastructure support
Pune, Maharashtra	Mental health and suicide prevention	Gender-sensitive counselling support was provided in partnership with Connecting NGO	<b>80</b> women and girls received professional mental health services
Bhopal and Indore, Madhya Pradesh	Support for survivors of gender-based violence	Legal aid, counselling, vocational training, and rehabilitation were offered through Project Gauravi, in partnership with ActionAid Association	<b>300</b> survivors of gender-based violence supported
Pune, Maharashtra; Padra, Gujarat	Support for mass marriages in neglected communities	Ceremonies and essential provisions facilitated through Punyadham Ashram in Pune and the Bariya Samaj in Padra to start a new life	<b>69</b> underprivileged couples supported through socially inclusive marriages and making them feel dignified in society
Gadchiroli, Maharashtra	Menstrual hygiene hubs	Eco-friendly Period Positive Holiday Homes for safe menstrual care were constructed in collaboration with Yuva Parivartan, integrating skilling tools and renewable energy	<b>350</b> women benefited through 3 new Period Positive Homes, bringing the total to 24.



Location	Initiative	Implementation Approach / Activity	Impact
Odisha and Tripura	Agri-management training	Field demonstrations and entrepreneurship training conducted in partnership with Shivia Livelihoods in Gajapati, Odisha, while demonstrations on fruit-bearing cultivation held in North Tripura to promote farming productivity	<b>1,250</b> individuals trained in integrated farming and agri-enterprise
Maharashtra and Gujarat	Inclusive rakhi-making initiative	Rakhis were handcrafted by students, women from skilling centres, and individuals with disabilities; these were distributed to children, police, armed forces, and community institutions	<b>2,070</b> individuals empowered through skill-based production and inclusive celebration
Across India	Livelihood opportunities for women	Women-led self-help groups in Gujarat were skilled in kite-making to earn a livelihood	<b>20,271</b> kite kits distributed across 269 institutions, promoting cultural inclusion and livelihood support
Across India	Bicycle distribution	Distributed across 12 schools in collaboration with 12 FICCI FLO chapters to promote education access, improve mobility and reduce school dropout	<b>358</b> bicycles distributed, enhancing access to education for girls



Beneficiaries of cycle distribution drive in PAN India.



Women farmers in Maharashtra, Uttar Pradesh, and Gujarat received training in sustainable agriculture and skill-building, nurturing self-reliance and improved rural livelihoods.





Inmates in Maharashtra, Rajasthan, and Gujarat benefitted from targeted rehabilitation programmes, including agricultural training, well restoration, fast food processing, and plumbing skills, supporting vocational readiness and reintegration.





Women beneficiaries of project 'Gauravi' in Madhya Pradesh.



Underprivileged couples in Pune, Maharashtra, and Gujarat received essential household items and financial support through mass marriage ceremonies and community meal initiatives.



Women empowerment through Agriculture entrepreneurship program in Bundelkhand, Uttar Pradesh







Eco-friendly 'Period Positive Holiday Homes' in Gadchiroli, Maharashtra for women beneficiaries.



Women in Odisha and Tripura received training in agri-management and entrepreneurship.



Handcrafted rakhis made by children with thalassemia, individuals with disabilities, women from skilling centres across Gujarat and Maharashtra and students of Mukul Madhav Vidyalaya, Ratnagiri, Maharashtra.



Kites handcrafted by women's self-help groups in Gujarat were distributed to over 20,000 beneficiaries.





## “Ensure availability and sustainable management of water and sanitation for all\*.”

Finolex Industries and MMF prioritise making provision for access to clean drinking water, water conservation, and safe sanitation practices in water-stressed and marginalised regions.

Location	Initiative	Implementation Approach / Activity	Impact
Kota, Rajasthan; Buxar, Bihar; Karur and Kollimalai, Tamil Nadu; Kolhapur, Maharashtra	WASH (Water, Sanitation and Hygiene) initiative in schools	Implemented in partnership with Yuva Unstoppable, the Centre for Rural Development, and local school contractors to improve hygiene awareness and infrastructure in government schools	<b>3,950</b> students supported with improved WASH facilities and hygiene practices
Sangli, Solapur, Pune, and Latur, Maharashtra; Piludra, Gujarat	Community water conservation initiatives	Canal strengthening, pond desilting, dam restoration, and cement nala band construction executed in collaboration with Gram Panchayats and NGOs including Sevalaya, benefiting HIV-affected families and enhancing agriculture	<b>17,765</b> residents gained access to reliable water sources for agriculture, livestock, and daily use



Students across five locations in India benefitted from WASH initiatives promoting safe water, sanitation, and hygiene through school infrastructure and partner support



Drinking water project by MMF.



Construction of well and support of pipeline for water project in Latur for those affected by HIV.



Desilting, cement nala band construction, and dam restoration projects.



**“Ensure access to affordable, reliable, sustainable, and modern energy for all\*.”**



**“Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation\*.”**



**“Ensure sustainable consumption and production patterns\*.”**

Finolex Industries and MMF address energy equity, infrastructure development, and responsible production through decentralised clean energy installations, solar-powered education and hostel infrastructure, and environmentally sensitive livelihood generation. These initiatives enhance safety, reduce energy costs, and promote resource-efficient practices across sectors.

Location	Initiative	Implementation Approach / Activity	Impact
Kahanva and Lola villages, Vadodara district, Gujarat	Installation of LED streetlights	LED streetlights were procured and installed in collaboration with local contractors to enhance rural lighting infrastructure	<b>160</b> streetlights installed in 2 villages, improving visibility and reducing carbon emissions in rural communities
Mobha, Gujarat	Solar rooftop system at a student hostel	A 4kW solar rooftop system was installed at Ram Kumar Hostel, promoting clean energy and enabling long-term savings	<b>35</b> students benefitted from uninterrupted power supply
Devrai, Madhya Pradesh	Solar-powered drinking water pump	A solar-operated pump was installed to enable access to clean drinking water in a tribal region	<b>600</b> individuals provided with a sustainable source of clean water
Pune, Maharashtra	Support for innovation incubator	Operational support was extended to SciTech (Science and Technology) Park, an institute set up jointly by Department of Science and Technology, Ministry of Science and Technology, Govt. of India and University of Pune to nurture early-stage innovators and strengthen local entrepreneurship	<b>22</b> incubatees supported to develop scalable, sustainable technology solutions





LED lights installed at LOLA village in Vadodara district, Gujarat.



Installation of solar rooftop (4kW) at Ram Kumar Hostel in Mobha, Gujarat.



A solar-powered pump was installed in Devrai, Madhya Pradesh, providing clean drinking water and promoting sustainable energy use in tribal communities.





**“Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all\*.”**

Finolex Industries and MMF promote inclusive economic development by enabling marginalised communities, including women, youth, and artisans, to access training, markets, and sustainable livelihoods. Through national partnerships and curated platforms, dignified employment is supported, and capacities are built.

Location	Initiative	Implementation Approach / Activity	Impact
Pune, Maharashtra	Yellow Ribbon Fair	Artisans were supported through transport services, hospitality services, and provided with platforms to exhibit their work	<b>250</b> artisans supported through enhanced visibility and income generation
Mumbai, Maharashtra	Rang De Nila – The Art for Health Initiative		<b>47</b> artists showcased stories of healing and resilience through their artworks
Pune, Maharashtra	Virasat Kalagram Fair		<b>30</b> artisans supported, including 24 National Awardees and 3 Padma Shri honourees
Delhi	FLO Anshukam Textile Showcase		<b>15</b> weavers from across India supported through participation
Budgam, Jammu and Kashmir	Sustainable livelihood training	Training was conducted through the Help Foundation to empower women with vocational skills	<b>50</b> women from vulnerable communities supported
Across India	Women's rural livelihood programmes	Formal partnerships were signed with 11 FICCI FLO chapters to implement livelihood projects in areas such as agriculture, entrepreneurship, and skilling	<b>1,784</b> women impacted



Artisans were given various platforms by MMF to showcase and sell their creations



Weavers from across India showcased their work at Anshukam in Delhi, celebrating textile heritage and promoting economic opportunity through MMF's collaboration with FICCI FLO.



Women in Budgam, Jammu and Kashmir, engaged in sustainable livelihood training to support economic empowerment through MMF's partnership with Help Foundation.





## “Reduce inequality within and among countries\*.”

Finolex Industries and MMF actively promote social inclusion by supporting people with multiple disabilities by providing access to inclusive education, assistive tools, employment opportunities, and skills development.

Location	Initiative	Implementation Approach / Activity	Impact
Assam, Tamil Nadu, Jharkhand, Madhya Pradesh, and Rajasthan	Deafblindness support	Long-term care, specialised educational and rehabilitation programmes were implemented in collaboration with Sense International India	<b>800</b> children with deafblindness supported across five centres
Maharashtra, Gujarat, and Goa	Mission Cerebral Palsy™	Early intervention, assessment, therapy services, and parental counselling were provided through nine centres	<b>1,000</b> children received physiotherapy, speech therapy, occupational therapy, surgeries, and orthotics
Ahmedabad, Gujarat	Deafblindness awareness event	Participated in the 10 <sup>th</sup> Cyclothon by Sense International India	<b>900</b> individuals participated in the SENSE Cyclothon to raise awareness on disability inclusion
Across India	Support for differently-abled individuals	Skilled in umbrella-making, provided infrastructure, and offered therapies through various partners	<b>596</b> individuals with disabilities benefitted from these facilities
Gujarat, Andhra Pradesh, Tamil Nadu, and Karnataka	Clubfoot treatment	Early intervention and treatment were facilitated through the Cure International India Trust	<b>66</b> children with clubfoot supported for improved mobility



Children with deafblindness received long-term care and specialised educational and rehabilitation support.





Children with cerebral palsy benefitted from physiotherapy, speech therapy, and occupational therapy at nine rehabilitation centres under the Mission Cerebral Palsy initiative.



Participants at the 10th Sense Cyclothon in Ahmedabad, Gujarat to raise awareness on disability inclusion.



Speech Therapy session with Snehalaya Rehabilitation Center, Pune, Maharashtra



Cricket tournament organised by the Divyang Cricket Club of India.





Children with clubfoot supported through early treatment interventions by CURE International India across multiple states.



### “Make cities and human settlements inclusive, safe, resilient and sustainable\*.”

Finolex Industries and MMF respond proactively to natural calamities by swiftly mobilising support through trusted on-ground partners. Their timely interventions help reduce the immediate impact and aid in reversing long-term damage wherever possible.

Location	Initiative	Implementation Approach / Activity	Impact
Bajali in Assam and Pune in Maharashtra	Disaster response and emergency relief	Emergency relief materials, hygiene kits, and shelter supplies were distributed in collaboration with local authorities	<b>4,736</b> individuals supported during natural disasters through essential aid



Disaster response initiative in Bajali, Assam and Pune, Maharashtra



**“Take urgent action to combat climate change and its impacts\*.”**



**“Conserve and sustainably use the oceans, seas and marine resources for sustainable development\*.”**



**“Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss\*.”**

Support is extended to promote sustainable ecological practices and enhance climate resilience through community education, awareness initiatives, and reforestation efforts. These interventions are focused on both terrestrial and marine ecosystems. The goals are long-term environmental sustainability and collective behavioural change.

Location	Initiative	Implementation Approach / Activity	Impact
Ratnagiri, Maharashtra	Beach cleaning drives	Individuals from Mukul Madhav Vidyalaya, members of the Gram Panchayat, and others participated in a beach cleaning drive at Bhatye Beach, supporting coastal ecosystem conservation	<b>700</b> volunteers, including students, participated to promote civic responsibility by removing waste and debris
Pune, Maharashtra	River cleaning initiative	Large-scale clean-up activities were conducted to clean the Mula-Mutha River and reduce water pollution	<b>4,000</b> volunteers participated to support the environment and improve water quality
Ratnagiri, Maharashtra	Turtle conservation	A conservation initiative was undertaken in collaboration with the Ratnagiri Forest Department to protect Olive Ridley turtle hatchlings	<b>15,444</b> eggs were protected, with over 5,450 hatchlings emerging successfully, aiding the survival of this endangered species with a natural survival rate of 1 in 1,000
Maharashtra, Rajasthan and Gujarat	Tree plantation initiatives	Afforestation and biodiversity restoration programmes were implemented to enhance green cover and tackle climate change	<b>10,763</b> trees planted across multiple regions
Vadodara, Gujarat and Pune, Maharashtra	Animal welfare support	Traditional animal care practices were supported through cattle sheds	<b>200</b> cows supported with fodder and basic care across five locations. It improved animal health and nutrition while creating livelihood opportunities through the sale of by-products and, in turn, protecting desi cows





Students from Mukul Madhav Vidyalaya participated in Bhatye Beach Cleaning, Ratnagiri, Maharashtra.



Students at the Mula Mutha river cleaning drive in Pune, Maharashtra.





Olive Ridley Turtle project site.



Cows supported with fodder and basic care in Maharashtra and Gujarat





Spouses of Finolex employees, along with the Finolex team in Ratnagiri, participated in a tree plantation drive.



Finolex Industries' Senior Management team participated in Tree plantation and inauguration of water conservation project at Khadakwasla Dam, Pune Maharashtra.



Children of Mukul Madhav Vidyalaya, Ratnagiri in Maharashtra Sadra Primary School and Masar Primary School in Padra block in Gujarat participated in a tree plantation drive.





## **“Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels\*.”**

Finolex Industries and MMF are committed to safeguarding the rights of children, women, and the well-being of young adolescents through targeted grassroots interventions. The programmes focus on creating safe, inclusive communities through outreach and rehabilitation.

Location	Initiative	Implementation Approach / Activity	Impact
Gaya, Sitamarhi, Darbhanga, and Katihar districts, Bihar	Child-Friendly Villages initiative  An initiative aimed to create a safe, supportive environment that promotes child protection, education, and community resilience.	Programmes conducted to protect children from all forms of exploitation, including child labour, trafficking, and early marriage. The focus is also on empowering communities by strengthening child protection systems, in partnership with the British Asian Trust	<b>14,000</b> children and community members supported in creating safer, more inclusive communities
Delhi and Ghaziabad, Uttar Pradesh	Protection and rehabilitation of vulnerable children	Outreach and support programmes were carried out through Railway Children India to safeguard children living near railway tracks and prevent them from slipping into street life	<b>1,789</b> children protected and rehabilitated from high-risk environments
Tulsinagar slum, Delhi	Empowerment of women and adolescent girls	A collaborative initiative with FICCI FLO National was introduced to improve education, health, nutrition, and safety for adolescent girls, while also building awareness among women caregivers	<b>125</b> women and girls empowered in slum areas



## **“Strengthen the means of implementation and revitalise the global partnership for sustainable development\*.”**

Finolex Industries has partnered with MMF for over 10 years and has established long-term relationships with public institutions, NGOs, corporations, academic bodies, and international agencies to enhance the scale, sustainability, and impact of its CSR programmes.

The organisations continue to work closely with a vast network of verified on-the-ground partners across India to implement sustainable, community-driven projects aligned with the UN Sustainable Development Goals. These partnerships facilitate last-mile delivery of healthcare, education, nutrition, skill development, and climate action initiatives in both rural and urban settings.

In addition to grassroots engagement, MMF collaborates with government authorities, hospitals, institutions, and both national and international partners to deliver globally informed, locally relevant solutions to the communities it serves. This holistic approach enables access to specialised interventions and advanced care while ensuring long-term capacity building on the ground.

These trusted alliances ensure that MMF's efforts remain inclusive, impactful, and deeply embedded in the communities they aim to uplift.

ESG Initiatives

SUSTAINABILITY ROOTED IN PURPOSE

In today’s world, where sustainability and responsible governance are key to long-term success, ESG has become central to how modern businesses operate. At Finolex Industries, sustainability is a core value that shapes every decision we make.

Inspired by the resilience of the farmers we work with, we understand that the seeds of innovation planted today must be nurtured patiently to build a better tomorrow. Our ESG journey began with a clear vision: to create holistic value for all stakeholders while protecting the planet.

Across our four manufacturing facilities, we have embraced advanced technologies and efficient processes to ensure product excellence, operational efficiency, and brand trust. As we enter the fourth year of our structured sustainability efforts, we remain committed to deepening our ESG practices and advancing responsible growth for generations to come.

Environmental Stewardship

At Finolex Industries, sustainability is central to how we operate, grow, and contribute. Our journey is anchored in responsibility, innovation, and continuous improvement.

In FY25, we achieved 100% implementation of our Integrated Management System (IMS) across all manufacturing sites, covering ISO 9001, ISO

14001, and ISO 45001. This was reinforced by the recertification of our Responsible Care® accreditation by the Indian Chemical Council, affirming our excellence in safety, health, environment, and security.

We made significant strides in climate action, increasing our renewable energy share from 3.2% to 11.14%, and avoiding over 31,000 tCO<sub>2</sub>e emissions. Our carbon sequestration study revealed absorption of 22,000+ tCO<sub>2</sub>e through biomass, underscoring our focus on nature-based solutions.

Our water stewardship efforts included the operation of a full-fledged Effluent Treatment Facility (ETF) up to the Demineralisation plant level, through which we recycled 3,11,559 m<sup>3</sup> of treated effluent in FY25. Alongside this, we harvested 4,67,000 Lakh m<sup>3</sup> of rainwater, strengthening resilience to climate risks.

To accelerate our energy transition, we expanded renewable Power Purchase Agreements (PPAs), installed rooftop solar systems, and implemented energy efficiency upgrades backed by data-driven monitoring.

Recognising the vital role of biodiversity, we conducted detailed site-level assessments, developed a Biodiversity Index, and initiated conservation action plans.

In line with our commitment to circularity and compliance, we ensured responsible disposal of plastic waste, e-waste, and hazardous waste through authorised and certified channels, maintaining full adherence to environmental regulations.

Key Highlights

<div>11.14%</div> <div>Share of Renewable Energy</div>	<div>&gt;75%</div> <div>of our Forklifts are Electric Forklifts</div>	<div>&gt;22,000tCO<sub>2</sub>e</div> <div>Carbon Sequestered through Biomass</div>
<div>&gt;31,000 tCO<sub>2</sub>e</div> <div>Avoided</div>	<div>1,00,000</div> <div>Plantation Increased from the Base Level (FY22) of 62,000 Plants to</div>	<div>3,11,000 KL</div> <div>of Water Recycled</div>
<div>4,67,000 KL</div> <div>Rainwater Harvested</div>	<div>Biodiversity</div> <div>Initial Biodiversity Assessment Completed for Ratnagiri Site</div>	





### Social Responsibility

At Finolex Industries, our journey begins with people, as collaborators, changemakers, and the heart of our purpose-driven growth. Over the years, we've built a culture anchored in trust, inclusion, and shared values, earning us the Great Place to Work® certification for the third consecutive year.

We amplify employee voices through platforms like Dial HR, Ethics Helpline, and HR Connect, nurturing psychological safety and open dialogue. A standout moment came at our Badhalwadi Fittings plant, where a 90% women-led shift redefined gender equity in industrial spaces. We also hosted expert-led sessions on women's health, emphasising holistic well-being.

To build a future-ready workforce, we launched the Finolex Pipes Academy, promoting continuous learning and capability-building. Our strong safety culture, driven by employee participation, reinforces workplace well-being.

Our sense of responsibility extends across the value chain. Through a Supplier Self-Assessment Questionnaire (SAQ), we evaluated partners on ethics, sustainability, and social impact. By year-end, 83% of purchases from trading houses came from our top 10 trusted partners, strengthening transparency and long-term trust.

This commitment also reflects in our customer relationships. A satisfaction survey across 13 zones, involving 691 dealers, yielded a 94.02% satisfaction score, a testament to the trust we've built.

Beyond the workplace, we contributed to the Olive Ridley Turtle Conservation Project in Gaokhadi, protecting endangered species and supporting local livelihoods. At the Mahakumbh, our "Badhte Kadam by Finolex" initiative touched millions of pilgrims, earning the Global Customer Engagement Award 2025 for Most Admired Social Message and Outstanding CSR Impact.

### Key Highlights



### Strong Governance

At Finolex Industries, governance is more than a framework, it is the compass guiding every decision, policy, and partnership.

Our commitment to sustainable and inclusive growth begins at the top, with active oversight by dedicated Board-level committees: Risk Management, CSR, and Stakeholders' Relationship. These committees meet quarterly to review performance, assess risks, and align priorities with long-term strategy.

Governance also thrives on the ground. Open House sessions at our manufacturing sites provide a platform for employees to raise concerns, share

feedback, and co-create solutions, reinforcing a culture of trust and transparency.

Our ethical foundation rests on a robust Code of Conduct, backed by regular training on workplace ethics and compliance. In FY25, we proudly recorded zero breaches, highlighting our strong ethical culture.

We follow a "Privacy by Default" approach to data protection, supported by stringent protocols. Our efforts were recognised with the ISO 27001:2022 certification for our Information Security Management System.

Going beyond compliance, we benchmark our governance practices against global standards and continually evolve to stay ahead of emerging risks

Key Highlights

<div><b>ZERO</b> Instances of Data Breach</div> <div><b>18%</b> Female Directors</div>	<div><b>ZERO</b> Instances of Breach of Code of Conduct</div> <div><b>100%</b> Directors, KMPs and Employees Trained on Code of Conduct</div>	<div><b>ZERO</b> Cases of Corruption and Anti-competitive Practices</div> <div><b>ISO 27001:2022</b> Certification</div>
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Ensuring Transparency through ESG Disclosures

Our journey toward responsible growth is underpinned by a comprehensive, organisation-wide ESG policy, which we bring to life through consistent action and transparent reporting. Each year, we publish our ESG performance in our Sustainability Report, reinforcing our accountability to stakeholders and the planet. We are proud to align our efforts with global frameworks such as the UN SDGs and the GRI Standards, ensuring our practices reflect both global relevance and local impact.

We benchmark ourselves against global peers and continue to raise the bar by actively participating in the S&P Global Corporate Sustainability

Assessment (CSA). More than just responding to evolving expectations, we are committed to embedding ESG into our core business strategy, shaping the future of sustainability in our industry.

This deep integration of environmental, social, and governance values is not just a responsibility, it is our differentiator. It reflects our belief that true progress is measured not only in profits, but in the positive impact we create for people and the planet. As we look ahead, our path is clear: to lead with purpose, grow with integrity, and contribute meaningfully to a more resilient and sustainable world.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Indian Economy

### Overview and Outlook

India is expected to remain the world's fastest-growing major economy in 2025, maintaining strong momentum despite a challenging global environment. According to the International Monetary Fund's April 2025 World Economic Outlook, India's GDP is projected to grow by **6.2% in 2025 and 6.3% in 2026**<sup>1</sup>, outpacing global peers and reinforcing its position as a key driver of global economic growth.

This outlook is driven by strong domestic fundamentals, buoyant private consumption, especially in rural areas, rising urban incomes, and continued government focus on infrastructure and manufacturing. Policy measures, such as personal income tax reductions and increased capital expenditure, are expected to support demand and investment. Meanwhile, moderating inflation and healthy water reservoir levels are set to benefit agriculture and rural consumption.

**Domestic Demand:** Revised GDP figures for previous years highlight the strength of India's domestic demand, which remains the principal engine of growth. While real GDP growth moderated to **6.5%** in 2024-25, India sustained its position as the fastest-growing major economy, underscoring the resilience and dynamism of its domestic market.

**Policy Support:** The 2025 Union Budget introduced significant personal income tax reductions, boosting disposable incomes, particularly among the growing middle class. This is expected to inject substantial liquidity into the economy, supporting consumption and potentially adding **0.6-0.7% to GDP growth in FY26**<sup>2</sup>.

**Manufacturing and Infrastructure:** The government's focus on manufacturing through initiatives such as the **National Manufacturing Mission** and the **Production Linked Incentive (PLI)** schemes, combined with record levels of foreign

direct investment, is positioning India as a global manufacturing hub. Significant infrastructure investments, spanning highways, airports, and renewable energy, are further accelerating growth and job creation.

**Agriculture:** Agriculture remains the backbone of the Indian economy, employing over 46% of the population and contributing **16-18% to GDP**<sup>3</sup>. The sector exhibited stability, with an average annual growth rate of around 5% from FY17 to FY23 and recorded a 3.5% growth in the second quarter of FY24. Government initiatives, such as the Prime Minister's **Dhan-Dhaanya Krishi Yojana** and increased budget allocations, drive productivity, support rural incomes, and ensure food security. Allied activities such as livestock, horticulture, and fisheries are also emerging as important growth drivers within the sector.

India is poised to remain the fastest-growing large economy, reaffirming its leadership in the global economic landscape-supported by strong domestic demand, resilient rural consumption, and strategic policy initiatives<sup>4</sup>.

Agriculture Sector Overview

India’s economy is deeply rooted in rural livelihoods, with over half the population depending on land-based occupations that significantly contribute to national income and employment. The sector has demonstrated robustness and consistent growth, with a projected expansion of **3.5-4% in FY25<sup>5</sup>**, buoyed by favourable monsoons, rising rural demand, and sustained government support. Agriculture and allied activities now account for nearly 20% of the country’s Gross Value Added, and foodgrain output is expected to reach a new record in 2025.

A key trend shaping the sector is the growing emphasis on modern irrigation and water management infrastructure. With increased investments in irrigation, warehousing, cold storage, and a push for sustainable and efficient farming practices, the demand for reliable piping solutions is rising sharply. **PVC pipes and fittings have become essential in this transformation, serving as the preferred material for irrigation channels, drip and sprinkler systems, and rural water supply. Their durability, resistance to corrosion, and ease of installation make them ideal for the diverse and demanding conditions of Indian agriculture.** As farmers adopt advanced irrigation techniques and the government

accelerates rural infrastructure projects, the use of PVC pipes continues to rise, directly linking the sector’s growth to increased demand for these products.

Outlook

The outlook for India’s agriculture sector is positive, with growth projected to remain steady amid continued policy support, technological adoption, and rising food demand. As the industry modernises, the need for efficient and durable irrigation and water management solutions will intensify. PVC pipes are set to play an increasingly critical role, with demand expected to grow in tandem with agricultural expansion and infrastructure upgrades. The market for PVC pipes, valued at **\$ 5.25 Billion** in 2024, is forecast to reach \$ 7.43 Billion by 2030, reflecting their centrality to India’s agricultural transformation<sup>6</sup>.

In FY25, agriculture continued to be a core demand driver for our pipes and fittings business, accounting for 67% of total volumes. Our focus remains on supporting India’s agricultural transformation through the provision of reliable, high-quality pipes and fittings that meet the evolving needs of farmers and rural communities.

Key Government Initiatives to Boost the Agriculture Sector

The **Union Budget 2025-26** strongly emphasises revitalising India’s agricultural sector with targeted initiatives to improve productivity, support farmer incomes, and enhance rural prosperity.

Initiative Name	Scheme Overview	Budget Allocation (FY26)	Target Areas	Key Objectives
PM Dhan Dhanya Krishi Yojana	Scheme to transform Indian agriculture, enhance farmer livelihoods, and promote sustainable practices	Part of ₹ 1.37 Lakh Crore (agri budget)	100 low-productivity districts; 1.7 crore farmers	Modernise agriculture, enhance rural livelihoods, encourage climate-resilient and diversified agriculture
Mission for Aatmanirbharta in Pulses	Six-year mission for self-reliance in pulses, focusing on tur, urad, and masoor; MSP procurement and warehousing.	₹ 1,000 Crore <sup>7</sup>	Pulse-growing regions	Boost yield, stabilise farmer incomes, reduce imports
Mission for Cotton Productivity	Five-year mission to improve cotton productivity, especially extra-long staple varieties, with Science & Technology support to farmers.	₹ 500 Crore <sup>8</sup>	Cotton-producing states	Enhance productivity, promote quality varieties, sustainability in cotton farming

Comprehensive Programme for Vegetables & Fruits	Boost production, supply chains, processing, and prices for farmers in horticulture.	₹ 500 Crore <sup>9</sup>	Horticulture clusters	Increase output, improve supply chains, strengthen processing infrastructure
National Mission on High-Yielding Seeds	Development, propagation, and commercial availability of 100+ high-yielding, pest-resistant, climate-resilient seeds.	₹ 100 Crore <sup>10</sup>	Nationwide	Improve seed quality, enhance yields, climate and pest resilience
Rural Prosperity and Resilience Programme	Rural employment, technology, skilling, and infrastructure for economic resilience and empowerment.	Part of ₹ 1,88,755 Crore <sup>11</sup>	Rural areas, youth, women	Job creation, technology integration, infrastructure development, rural economic upliftment
Expansion of Kisan Credit Card (KCC) Scheme	Enhanced short-term loan limit from ₹3 lakh to ₹5 lakh for 7.7 crore farmers, incl. fishermen/dairy.	Not a direct outlay; ₹ 10.05 Lakh Crore in outstanding KCC loans as of Dec 2024	7.7 crore beneficiaries	Provide affordable credit, enable investment in machinery and quality inputs
Ongoing Flagship Initiatives (e.g., PMKSY, PMFBY, RKVY)	Major centrally sponsored schemes including direct income support, crop insurance, irrigation, natural farming, and agricultural extension.	<b>PM-KISAN:</b> ₹ 63,500 Crore <b>PMFBY:</b> ₹ 12,242 Crore <b>RKVY:</b> ₹ 8,500 Crore <b>NMNF:</b> ₹ 2,481 Crore <b>ATMA:</b> Included in DA&FW budget	Pan-India	Expand irrigation, provide crop insurance, develop rural infrastructure, strengthen market linkages

The government's latest initiatives, as outlined in the Budget 2025-26, signal a decisive and strategic push to transform India's agriculture sector, aiming for higher productivity, greater adaptability, and improved farmer welfare. The introduction of the **Prime Minister Dhan-Dhaanya Krishi Yojana** is expected to be a game-changer for **1.7 Crore farmers** across **100** low-productivity districts. The **Yojana** focuses on crop diversification, direct financial support, and adoption of sustainable, climate-resilient practices. This targeted approach bridges regional disparities, modernises farming, and ensures equitable growth across rural India.

## Industry Overview

### PVC pipes and fittings

India's PVC (Polyvinyl Chloride) pipes and fittings segment represents the cornerstone of the country's water infrastructure and irrigation systems. As of FY24, this segment was valued at approximately **₹ 352 Billion<sup>12</sup>**, accounting for the largest share of the domestic piping market by both value and volume. PVC pipes and fittings command nearly 70% of piping industry demand, driven by their proven performance in irrigation, plumbing, and sanitation applications.

The PVC pipes and fittings segment continues to demonstrate steady growth, supported by ongoing infrastructure development, government initiatives in water supply, and sustained replacement demand across agricultural and urban applications.

The organised segment accounted for approximately 70% of PVC pipe demand in FY24, up from around 50% a decade ago, driven by GST enforcement, anti-dumping duties, and greater compliance requirements. The top five manufacturers collectively control about 40% of the industry's installed capacity. As of FY24, the total installed capacity for PVC pipes across the industry exceeds 4 Million Tonnes per annum, reflecting significant scale and consolidation.



## Key Risks

- Volatility in PVC resin prices, closely linked to crude oil and global polymer markets.
- Intense competition from both organised and unorganised players, especially in Tier II and III geographies.
- Cyclicity in demand from agriculture and real estate, which are sensitive to monsoons and interest rates.
- Technology substitution risks, as applications in water infrastructure and gas distribution increasingly adopt HDPE, CPVC, and OPVC alternatives.

## Finolex Industries: Perspective

At Finolex Industries Limited, we remain focused on strengthening our leadership in the PVC pipes and fittings industry, which continues to anchor the broader plastic piping industry in India. Despite a challenging demand environment and volatility in PVC resin prices during FY25, we achieved modest volume growth in pipes and fittings, supported by our strong presence across both agricultural and non-agricultural markets. Our ongoing efforts are directed towards expanding capacity, improving product mix, and enhancing margins through disciplined pricing and operational efficiency.

## Outlook

The outlook for India's PVC pipes and fittings industry remains positive, with the industry positioned for sustained growth over the medium term, driven by continued infrastructure investment and evolving customer requirements. At Finolex Industries Limited, we are well-positioned to capture the next phase of industry growth. Our focus remains on margin recovery, operational efficiency, and disciplined capacity expansion. With 25,000 Metric Tonnes (MT) of new capacity already commissioned in Q4 FY25 and a further 25,000 Metric Tonnes (MT) underway, we are strengthening our ability to serve both agricultural and non-agricultural markets. Our investments in product mix enhancement, brand initiatives, and market outreach are designed to reinforce our leadership and ensure that our pipes and fittings continue to meet the evolving needs of customers across India.

## Growth Drivers: Indian pipes and fittings Industry

India's pipes and fittings industry is poised for robust expansion, supported by a combination of structural, policy, and market-specific growth drivers.

### 1. Government Infrastructure Programmes

- Major public initiatives, such as the **Jal Jeevan Mission, AMRUT, Pradhan Mantri Awas Yojana (PMAY)**, and the **Smart Cities Mission**, are driving large-scale investments in water supply, sanitation, and urban infrastructure.
- Irrigation-focused schemes, such as **the Pradhan Mantri Krishi Sinchai Yojana (PMKSY)** and the **'Per Drop More Crop'** initiative, are accelerating micro-irrigation coverage, directly boosting demand for pipes and fittings in rural and agricultural markets.
- These programmes are expanding the addressable market and creating sustained, long-term demand for high-quality piping solutions.

### 2. Urbanisation and Real Estate Growth

- Rapid urbanisation and the ongoing expansion of residential and commercial real estate are increasing the need for modern plumbing and sanitation systems.
- The rising urban population and the launch of premium housing are driving the adoption of advanced, value-added piping products, especially in metropolitan and Tier I/II cities.

### 3. Replacement Demand and Shift

- The ongoing replacement of ageing galvanised iron (GI) pipes with PVC, CPVC, and other plastic variants is a significant and steady growth engine.
- Replacement demand remains solid even during periods of subdued new construction, ensuring a stable base for industry volumes.

### 4. Agriculture and Irrigation Modernisation

- Agriculture remains a core demand driver, with irrigation accounting for approximately 45% of total pipe and fitting usage.
- Increased investment in micro-irrigation, drip, and sprinkler systems is supporting sustained demand growth, particularly in states with expanding irrigated acreage.

### 5. Organised Sector Expansion and Regulatory Support

- The share of organised players has risen to around 70% in FY24, driven by GST enforcement, anti-dumping duties, and stricter compliance requirements.

- Sector consolidation is enabling better capacity utilisation, improved supply chain efficiency, and enhanced customer trust.

## 6. Rising Awareness and Quality Standards

- Increased awareness among consumers and institutional buyers about the benefits of certified, high-quality pipes and fittings is supporting the shift towards branded and standardised products.
- Implementation of BIS norms and quality certifications is further strengthening market discipline and product reliability.

## 7. Policy and Economic Tailwinds

- Continued government focus on infrastructure, rural development, and housing is expected to provide a stable policy environment and funding support.
- Economic growth, rising disposable incomes, and a growing middle class are underpinning long-term demand for water management and sanitation solutions.

## Company Overview

### Legacy of Excellence in Pipes and Fittings

Established in 1981, Finolex Industries Limited (hereafter referred to as 'Finolex' or 'Our Company') is a leading producer of PVC pipes and fittings and PVC resin in India. For over four decades, we have been synonymous with quality, reliability, and innovation, earning the trust of millions of customers nationwide. What began as a single manufacturing unit has evolved into a multi-location enterprise, firmly establishing our Company as a market leader.

In FY25, we delivered pipes and fittings volumes of 3,47,982 Metric Tonnes (MT), achieving growth in both agri and non-agri segments despite subdued demand conditions. Our ongoing focus is on expanding our presence in the non-agri segment, strengthening our project business, and driving operational efficiency. We continue to invest in capacity, product innovation, and digital initiatives to enhance customer engagement and market reach.

### Integrated Value Chain & Backward Integration

Our unique business model encompasses in-house production of PVC resin, the key raw material for pipes and fittings, giving us a decisive edge in cost efficiency, quality control, and supply reliability. Our flagship Ratnagiri facility in Maharashtra uses advanced technology and features a captive cryogenic jetty and dedicated power plant, ensuring a consistent, high-quality PVC resin supply to our manufacturing units. This integrated approach shields us from market volatility and reinforces the quality of our products.

Our manufacturing facilities are strategically positioned across key regions, with three ISO 9001:2015 certified plants in Maharashtra (Ratnagiri, Urse, and Badhalwadi) and one in Gujarat (Masar). This arrangement enables us to efficiently serve major markets across India, reduce transportation time and costs, and maintain consistent supply and quality standards. By locating our plants near high-demand regions, we can respond swiftly to customer needs and manage logistics more effectively.

By managing every stage from raw material sourcing to finished goods, we deliver consistent value and reliability, strengthening our reputation and supporting sustainable growth.

### Diverse & Innovative Product Portfolio

We offer one of the most comprehensive product portfolios in the Indian pipes and fittings industry. Our range covers PVC, CPVC, speciality pipes, and a wide variety of fittings, serving critical applications across agriculture, plumbing, sanitation, and infrastructure projects nationwide.

Our commitment to innovation and quality enables us to address the diverse requirements of customers throughout India. By continuously expanding and refining our product offerings, we ensure that our pipes and fittings deliver reliable performance in both traditional and emerging applications.

We remain focused on supporting the evolving needs of the market with solutions that combine durability, efficiency, and ease of installation, reinforcing our position as a trusted partner for projects of every scale.

## Nationwide Distribution & Customer Reach

We have established a robust distribution network that spans the entire country, ensuring efficient service to both rural and urban markets. Our network is designed to ensure product availability and prompt service delivery across all regions, supporting the diverse needs of our customer groups.

Our diverse customer base includes farmers, plumbers, contractors, builders, and government agencies. We are a preferred partner for large-scale infrastructure and irrigation projects, as well as for individual households and small businesses. This broad market presence, supported by strong channel relationships, allows us to deliver value and reliability to customers in every segment we serve.

## Recognition for Excellence in FY25

Our marketing initiatives for pipes and fittings have earned recognition across multiple industry platforms, reflecting the effectiveness of our campaigns and brand-building efforts. These awards validate our strategic approach to connecting with customers and strengthening market presence throughout India.

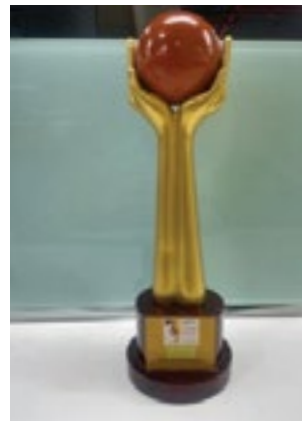


### E4M Indian Marketing Awards

Type/Category: **Silver – Festive Marketing**

Asset/Campaign: **Diwali Film**

We were honoured with the Silver award for Festive Marketing at the E4M Indian Marketing Awards for our Diwali film, which established our brand's connection with Indian festive traditions and resonated strongly with audiences.



### Eggfirst Chalo Bharat Conclave

Type/Category: **Gold – Best Use of Animation**

Asset/Campaign: **Navratri Campaign**

Our Navratri campaign received the Gold award for Best Use of Animation, recognising our creative approach in engaging audiences through vibrant and culturally relevant storytelling.



### Great Place to Work

Type/Category: **Certified Organisation**

We achieved the 'Great Place to Work' certification three years in a row, a testament to our commitment to fostering a positive and inclusive workplace for all employees.



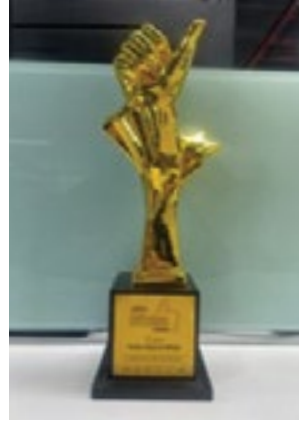


### Eggfirst Chalo Bharat Conclave

Type/Category: **Bronze –Occasion Based Marketing**

Asset/Campaign: **Diwali Film**

The Diwali film also earned the Bronze award in the Occasion Based Marketing category, further affirming its impact and execution.



### Marksmen Daily – India TV

Type/Category: **Most Preferred Brand 2024-25**

We were recognised as the 'Most Preferred Brand 2024-25' by Marksmen Daily and India TV, reflecting the trust and preference we have earned among consumers for our pipes and fittings.



### Times Now ESG Impact Summit 2024

Type/Category: **Champions of CSR**

At the Times Now ESG Impact Summit 2024, we were acknowledged as 'Champions of CSR' for our sustained efforts in creating positive social impact through our corporate social responsibility initiatives.



### ET Now

Type/Category: **Iconic Brands of India 2024**

ET Now recognised us among the 'Iconic Brands of India 2024', highlighting our enduring presence and reputation in the pipes and fittings industry.

Financial Analysis FY25

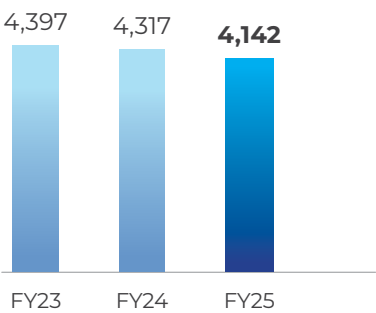
Financial Overview

Our Company delivered stable operational performance in FY25 despite a subdued demand environment and continued volatility in PVC resin prices. Revenue stood at **₹ 4,142 Crore**, marginally lower than the previous year, reflecting muted realisations. EBITDA was **₹ 476 Crore**, with a margin of **11.49%**, impacted by fluctuations in input costs and pricing pressures. Profit after tax rose to

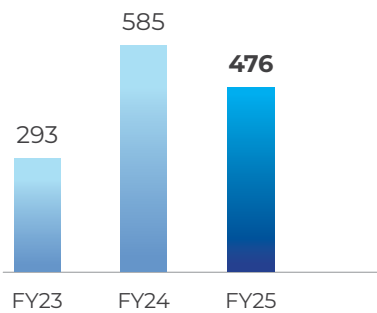
**₹ 778 Crore**, benefiting from an exceptional gain, and PAT margin improved to **18.78%**. The company maintained a strong balance sheet, with a net cash surplus of **₹ 2,535 Crore** and a return on capital employed of **25.59%**. Pipes and fittings volumes increased by **3.39%** to **3,47,982 Metric Tonnes (MT)**, driven by steady demand in both the agricultural and non-agricultural segments. Management remains focused on margin recovery, operational efficiency, and strengthening the non-agri portfolio to drive future growth.

Key Performance Indicators

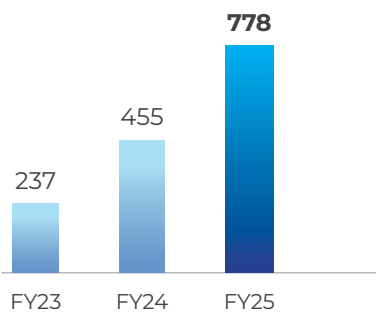
Revenue (₹ in Cr)



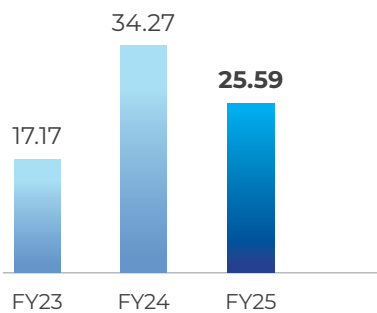
EBITDA (₹ in Cr)



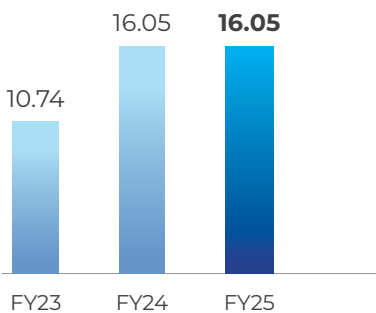
PAT (₹ in Cr)



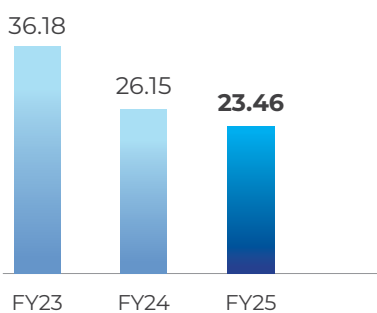
ROCE (%)

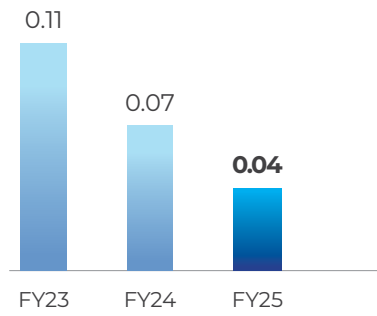
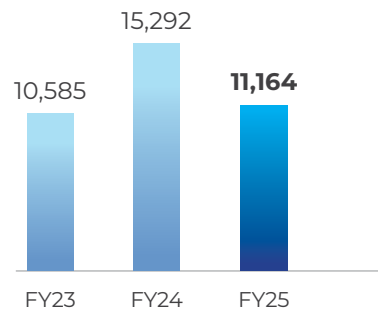
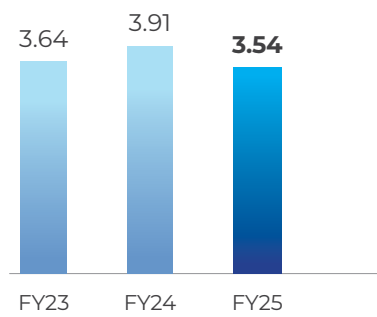
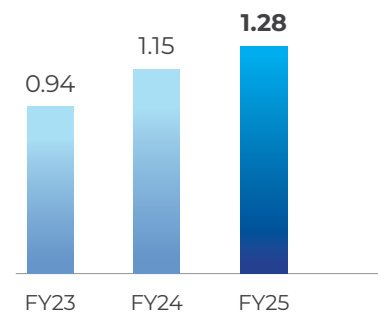
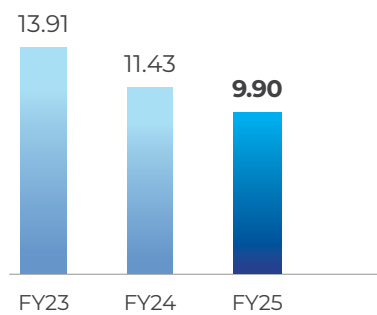
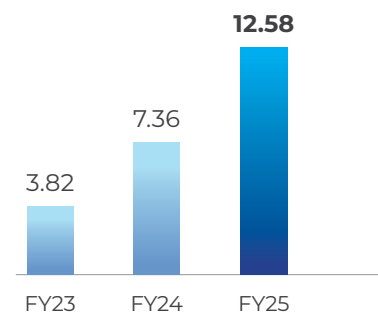
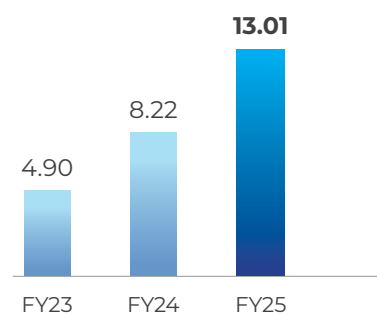


Interest Coverage Ratio (Times)



EV/EBITDA (Times)



**Debt Equity Ratio (Times)****Market Capitalisation (₹ in Cr)****Inventory Turnover Ratio (Times)****Current Ratio (Times)****Debtors' Turnover Ratio (Times)****EPS (₹/Per Share)****Return on Net Worth (%)**



## Financial Review and Analysis (FY25)

Particulars	Unit	FY25	FY24	Variance 25 vs 24	Reasons for Variation of >25%
Revenue	Cr	4,142	4,317	-4%	-
EBITDA	Cr	476	585	-19%	-
EBITDA Margin	%	11.49	13.55	-15%	-
PAT	Cr	778	455	71%	PAT has improved owing to increase in profit for the year primarily due to exceptional gain.
PAT Margin	%	18.78	10.55	78%	PAT margin has improved owing to increase in profit for the year primarily due to exceptional gain.
RoCE	%	25.59	34.27	-25%	The profitability has decreased from last year due to decrease in gross margin on account of decrease in selling price.
Interest Coverage Ratio	Times	16.05	16.05	0%	-
Debt-equity Ratio	Times	0.04	0.07	-46%	Debt equity ratio improved due to repayment of debt and improvement in shareholder's equity.
Inventory Turnover Ratio	Times	3.54	3.91	-9%	-
Debtors' Turnover Ratio	Times	9.90	11.43	-13%	-
EV/EBITDA	Times	23.46	26.15	-10%	-
Market Capitalisation	Cr	11,164	15,292	-27%	Attributable to a change in the market price of shares.
Current Ratio	Times	1.28	1.15	12%	-
EPS	₹ per share	12.58	7.36	71%	EPS has improved owing to increase in profit for the year primarily due to exceptional gain.
Return on Net Worth	%	13.01	8.22	58%	Return on net worth has improved owing to increase in profit for the year primarily due to exceptional gain.

## Risk Management & Mitigation

Risk	Mitigation
<p><b>Raw Material Price Volatility</b></p> <p>Fluctuations in PVC resin and other input costs can impact the Company's margins and profitability.</p>	<p>We leverage our backward integration into captive resin production, maintain a diversified supplier base (comprising both imports and domestic sources), ensure dual sourcing for key raw materials, actively monitor market trends, and adjust pricing and inventory strategies to minimise impact.</p>
<p><b>Economic Risks</b></p> <p>Macroeconomic factors such as inflation, interest rate fluctuations, currency volatility, and economic slowdowns can affect demand, input costs, and overall profitability.</p>	<p>We maintain a flexible business model and regularly review our cost structures to ensure agility in the face of economic uncertainty. Through prudent financial management—including conservative leverage, we safeguard our operations against adverse macroeconomic movements. Our diversified product portfolio and broad customer base reduce dependence on any single sector or geography, providing a natural buffer during periods of economic downturn. This disciplined approach enables us to sustain stable performance and deliver value to all stakeholders, regardless of external market conditions.</p>
<p><b>Regulatory Changes</b></p> <p>Frequent changes in environmental, product quality, or industry-specific regulations may affect our operations, costs, or market access.</p>	<p>We maintain a vigilant approach to regulatory compliance by continuously monitoring changes in the legal and policy landscape relevant to our industry. Our teams proactively adapt internal processes and operational protocols to ensure that we meet all statutory and regulatory requirements in a timely manner. Regular engagement with key industry bodies allows us to stay informed about upcoming regulations and best practices. In addition, we invest in ongoing staff training and awareness programmes, enabling our workforce to respond swiftly and effectively to new requirements. This disciplined approach minimises operational disruptions and reinforces our commitment to full compliance across all aspects of our business.</p>

Risk	Mitigation
<p><b>Supply Chain Disruptions</b></p> <p>Interruptions in the supply chain, due to logistics challenges, geopolitical events, or supplier issues may affect timely production and delivery.</p>	<p>We recognise that supply chain disruptions can arise from a range of factors, including logistics challenges, geopolitical events or supplier-specific issues, all of which have the potential to impact production schedules and timely delivery of pipes and fittings. To mitigate these risks, we have established a robust, multi-location manufacturing footprint, which enhances operational flexibility and reduces dependence on any single facility or region.</p> <p>This geographical diversification is complemented by a broad supplier base, ensuring that critical raw materials and components are sourced from multiple vendors. In addition, contingency logistics arrangements are in place, allowing us to respond swiftly to unforeseen disruptions by leveraging alternative transportation routes and partners. These measures collectively strengthen our supply chain resilience, support uninterrupted operations and enable us to maintain consistent service levels for customers across India.</p>
<p><b>Input Price Risk</b></p> <p>A rise in raw material prices can result in higher production costs, leading to pressure on margins and reduced profitability. This risk has the potential to disrupt cost stability and impact our overall financial performance.</p>	<p>In the pipes and fittings segment, input price risk is typically addressed by passing on increased raw material costs to customers. This approach helps protect margins and ensures that profitability is maintained, even during periods of price volatility.</p> <p>For the PVC resin segment, we are exposed to fluctuations in the prices of key commodity chemicals such as ethylene and PVC, as well as intermediates like Ethylene Dichloride (EDC) and Vinyl Chloride Monomer (VCM). Ensuring a consistent supply of these materials is essential for uninterrupted production. The prices of PVC resin we produce are closely monitored and adjusted in line with the prevailing import parity price of PVC in the market.</p> <p>Since market prices for both inputs and outputs are generally adjusted over time, our exposure to price variations is limited to short periods. We maintain a strategic pricing and procurement approach to minimise the operational impact of raw material cost fluctuations and to support a stable financial outlook.</p>



Risk	Mitigation
<p><b>Cybersecurity &amp; Data Privacy</b></p> <p>Cyber threats or data breaches could disrupt our operations or compromise sensitive information.</p>	<p>We have established a robust, multi-layered cybersecurity framework, wherein endpoint protection is managed through 24x7 threat monitoring and response via CrowdStrike MDR. FortiGate Next-Gen Firewalls provide strong perimeter defence with intrusion prevention and traffic filtering. Centralised tracking is enabled through a Next-Gen SIEM, with QRadar implementation in progress to ensure end-to-end visibility. These measures collectively enhance reliability, protect sensitive data, and reduce operational risk. We have implemented robust IT security protocols, conducts regular system audits, and provides ongoing employee training to safeguard digital assets and ensure data privacy.</p>
<p><b>Brand and Trademark Protection</b></p> <p>Counterfeit products in the market may impact our brand reputation as well as cause loss of sales.</p>	<p>To safeguard our intellectual property, we have established partnerships with leading IPR consultants and legal professionals who assist in identifying counterfeit products in the market and play a crucial role in providing actionable intelligence. We routinely conduct enforcement actions, including market raids, against entities involved in the manufacturing or distribution of counterfeit goods. In addition, we actively monitor trademark applications and consistently oppose filings that are identical or deceptively similar to our registered trademarks, thereby preventing potential brand dilution and consumer confusion.</p>
<p><b>Environmental &amp; Sustainability Risks</b></p> <p>Increasing environmental regulations and stakeholder expectations around sustainability may affect the Company's operations and reputation.</p>	<p>We adhere to all applicable environmental standards and invest in sustainable practices across our operations. Regular ESG reviews and transparent reporting reinforce our commitment to responsible and sustainable growth.</p>

Risk	Mitigation
<p><b>Competition Risk</b></p> <p>An increase in competition, with new entrants and established players seeking to expand their market share, continues to pose a risk to our projected margins and market position.</p>	<p>We address competition risk by consistently investing in product quality, expanding our distribution reach, and strengthening our brand presence. Our efforts include deepening relationships with dealers, introducing new products, and entering emerging markets to maintain our competitive advantage. We also focus on operational efficiency, cost optimisation, and regular engagement with channel partners to reinforce loyalty and ensure prompt service. These measures help us respond effectively to market changes and sustain our leadership in the pipes and fittings industry.</p>
<p><b>Geographic Concentration Risk</b></p> <p>Relying heavily on a limited number of geographical regions could restrict our customer reach and engagement. This concentration may affect our marketability and consumer recognition, potentially leading to a decline in profitability.</p>	<p>We mitigate geographical concentration risk through a robust pan-India operational footprint, supported by multiple manufacturing plants strategically located across key regions. This multi-location approach ensures operational flexibility and significantly reduces dependency on any single facility or area, thereby minimising the impact of localised disruptions such as adverse weather, regulatory changes, or socio-political events. Regular regional risk assessments are conducted to identify and proactively address potential vulnerabilities, enabling us to adapt swiftly to changing local conditions. We enhance business continuity and ensure reliable service to customers nationwide, by continuously expanding and optimising our manufacturing and distribution network.</p>

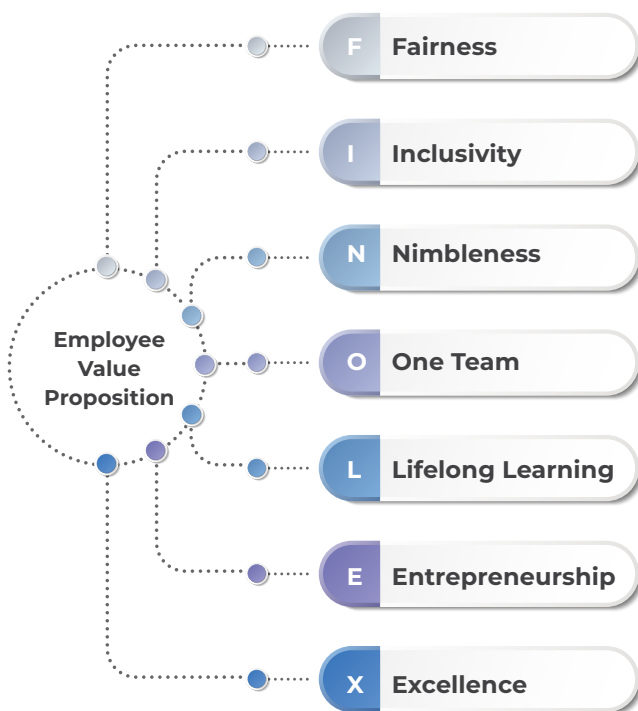
## Human Resources (HR)

Our people remain at the core of our success. Our HR strategy is built on three foundational pillars: **Culture, Career, and Learning and Development**. These pillars embody our commitment to fostering a workplace that promotes collaboration, inclusivity, and high performance.

### Employee Value Proposition – Desired Cultural Characteristics

We aim to be the best at what we do, not only in the eyes of our customers, but also in the eyes of our colleagues. We are committed to ensuring a healthy work-life balance and strongly believe in the power of teamwork, where each employee's unique strengths contribute meaningfully to our collective goals. We are also driven to make a positive social impact through active community engagement.

The following characteristics define our Employee Value Proposition:



We have implemented a range of structured initiatives to enhance employee capabilities and nurture engagement, contributing to a vibrant organisational culture. These efforts have earned us the '**Great Place To Work**' certification for the third consecutive year.

Our approach includes **personalised leadership engagement, open-door policies, cross-functional career mobility, and skill-based development programmes**. We ensure that every employee is empowered to grow and reach their full potential.

As of March 31, 2025, we employed **1,499** individuals across our Corporate Office in Pune, pan-India sales network, and manufacturing locations at Ratnagiri, Masar, Urse, and Badhalwadi. During FY25, we invested **4,474 learning mandays** in employee development, reinforcing our belief that continuous learning drives both individual and organisational excellence.

## Information Technology

Our Company significantly strengthened its IT infrastructure across multiple fronts during the year. A hub-and-spoke architecture was implemented on Microsoft Azure Cloud, enabling scalable and secure operations. Seamless integration between the on-premises Active Directory and Azure AD enhanced identity and access management.

A major network upgrade was undertaken by replacing end-of-life switches, while server modernisation was driven through the deployment of HPE GreenLake solutions. Enhancements to data centres in Baner and Ratnagiri included biometric access controls, water leakage detection systems, rodent repellent installations, and gas-based clean agent fire suppression systems.

Security infrastructure was further fortified through the ongoing implementation of Security Information and Event Management (SIEM) and Veeam Backup & Disaster Recovery tools. For endpoint and data protection, Finolex deployed Microsoft Intune, Data Loss Prevention (DLP), endpoint security, Azure Internet Protection, and robust email security measures.

These initiatives culminated in the achievement of ISO 27001:2022 certification, reinforcing the Company's commitment to information security and operational excellence.

## Digital Transformation

At Finolex, we have advanced our digital transformation by launching a robust Dealer Performance Dashboard, providing our channel partners with real-time visibility into sales and operations. This strategic initiative enhances data-driven decision-making and deepens partner alignment with our growth objectives. Additionally, the development of an internal workflow application has streamlined commercial approvals within our project business segment, accelerating decision-making processes and fostering greater transparency across teams.



## Cybersecurity

At Finolex Industries, we have adopted a proactive and holistic approach to strengthening our cybersecurity posture through comprehensive awareness, training, and infrastructure initiatives. We conduct regular phishing simulation campaigns to assess employee susceptibility to social engineering attacks and improve awareness of email-based threats. Our structured security awareness programme includes visual campaigns that circulate informational posters and training modules integrated with our learning management system, delivering role-based education on compliance, secure practices, and emerging risks.

To further elevate our cybersecurity framework, we successfully achieved ISO/IEC 27001:2022 certification, reflecting our commitment to global standards in Information Security Management. We conduct internal security audits periodically to identify and address gaps, following the Plan-Do-Check-Act cycle for continual improvement. The deployment of Microsoft 365 Data Loss Prevention (DLP) policies in simulation mode allows us to refine controls in advance of full implementation. Our endpoint protection has been bolstered through Microsoft Defender and CrowdStrike Falcon, with the latter serving as our primary solution for advanced threat detection.

Round-the-clock monitoring of endpoint and perimeter devices is enabled through SIEM integration powered by CrowdStrike Falcon Insight, ensuring real-time threat detection and incident correlation. We also maintain active Cyber Threat Intelligence (CTI) subscriptions from credible sources such as CISA, CERT-In, Fortinet, and Wipro to stay informed of vulnerabilities and adapt our defences proactively. Additionally, we have developed a secure image-sharing process, reinforcing our dedication to safeguarding digital assets across all levels.

## Data Management & Analytics

At Finolex Industries, we made significant strides in enhancing our data management and analytics capabilities to support smarter business operations. The implementation of Power BI dashboards across

all departments has provided our teams with real-time access to critical data, enabling more informed and agile decision-making. In parallel, our adoption of Azure Data Lake and Azure Databricks to host Microsoft Fabric has established a unified data platform, simplifying access to consolidated and readable data sources while streamlining the creation of dashboards.

We also migrated from Gmail to Microsoft 365, ushering in a modern collaboration environment that has improved communication and enabled seamless virtual meetings through Microsoft Teams. Additionally, our use of Microsoft Power Apps has allowed us to develop customised applications tailored to departmental needs, driving greater operational efficiency and boosting user satisfaction across the organisation.

## Internal Control Systems

At Finolex Industries, we have implemented comprehensive internal control procedures tailored to the nature of our business and the scale of our operations, ensuring smooth business proceedings. We conduct regular internal audits at all our plants, with a focus on key operational areas. These audits are designed to be independent and objective, evaluating and enhancing the effectiveness of our risk management, control, and governance processes. Our Audit Committee oversees the internal audit function, monitoring the performance of internal audits through periodic reviews of audit plans, audit findings, and the timeliness of issue resolution through follow-ups. This robust framework ensures that our internal controls remain effective and aligned with our business needs, with a commitment to ongoing review and continuous improvement.

## Internal Financial Control

We have established robust, well-documented internal financial controls tailored to the scale and complexity of our operations. These controls are integral to our governance framework, supporting effective and efficient business conduct.

Our internal controls safeguard company assets, ensure policy compliance, prevent and detect errors, and maintain accurate financial records.

Comprehensive checks and balances are embedded throughout our processes to promote smooth organisational functioning.

We conduct regular reviews and assessments of our internal financial controls to ensure they remain effective and reliable. This ongoing evaluation reinforces strong governance and operational efficiency across the organisation.

### Cautionary Statement

This Annual Report and Management Discussion and Analysis contain forward-looking statements regarding the Company's objectives, projections, estimates, and expectations, subject to applicable laws and regulations. Actual results may differ

materially from those expressed or implied due to various factors, including changes in the global economy, political conditions, market performance, government regulations, tax regimes, and other unforeseen circumstances. Except as law requires, the Company undertakes no obligation to update any forward-looking statements to reflect future events or developments. Investors are advised to exercise caution and not rely on these statements when making investment decisions.

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#### Sources:

<sup>1</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2123826>

<sup>2</sup><https://www.deloitte.com/in/en/our-thinking/spotlight-on-indian-economy/india-economic-outlook-may-2025.html>

<sup>3</sup><https://www.ey.com/content/dam/ey-unified-site/ey-com/en-in/technical/alerts-hub/documents/2025/ey-union-budget-2025-alert-agriculture-sector.pdf>

<sup>4</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2123826>

<sup>5</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2097886>

<sup>6</sup><https://www.globenewswire.com/news-release/2025/01/23/3014431/28124/en/India-7-4-Bn-PVC-Pipes-Market-Analysis-Competitive-Landscape-Forecasts-Opportunities-2024-2030.html>

<sup>7</sup><https://indianexpress.com/article/explained/explained-economics/budget-announcement-why-aatmanirbharta-in-pulses-is-a-challenge-9813887/>

<sup>8</sup><https://www.investindia.gov.in/team-india-blogs/union-budget-2025-26-strengthening-fabric-textile-industry>

<sup>9</sup><https://www.india.gov.in/spotlight/union-budget-2025-2026>

<sup>10</sup><https://www.india.gov.in/spotlight/union-budget-2025-2026>

<sup>11</sup><https://pib.gov.in/PressReleasePage.aspx?PRID=2100410>

<sup>12</sup><https://www.motilaloswal.com/site/rreports/638865297854619464.pdf>

<sup>13</sup><https://rbidocs.rbi.org.in/rdocs/AnnualReport/PDFs/0ANNUALREPORT202425DA4AE08189C848C8846718B080F2A0A9.PDF>

## BOARD'S REPORT

To the Members,

The Board of Directors are delighted to present the 44<sup>th</sup> Annual Report, highlighting the Company's business operations along with the summary of standalone and consolidated audited financial statements for the year ended March 31, 2025.

### Overview of Financial Performance:

(Amount in Crore)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	4,141.97	4,317.43	4,141.97	4,317.43
Add - Other Income	248.25	181.11	246.63	179.95
<b>Total Income</b>	<b>4,390.22</b>	<b>4,498.54</b>	<b>4,388.60</b>	<b>4,497.38</b>
<b>Profit before Depreciation, Finance Cost, Exceptional Gain and Tax Expenses</b>	<b>724.05</b>	<b>765.96</b>	<b>762.60</b>	<b>803.02</b>
Less - Finance Cost	29.64	36.45	29.64	36.45
Less - Depreciation	106.71	116.02	106.71	116.02
<b>Profit before Exceptional Gain and Tax Expenses</b>	<b>587.70</b>	<b>613.49</b>	<b>626.25</b>	<b>650.55</b>
Add - Exceptional Gain	416.99	-	416.99	-
<b>Profit before Tax (PBT)</b>	<b>1,004.69</b>	<b>613.49</b>	<b>1,043.24</b>	<b>650.55</b>
Less - Tax Expenses	226.83	158.19	243.21	176.96
<b>Profit after Tax (PAT)</b>	<b>777.86</b>	<b>455.30</b>	<b>800.03</b>	<b>473.59</b>
<b>Retained Earning as at year end</b>	<b>3,943.33</b>	<b>3,320.59</b>	<b>4,061.83</b>	<b>3,417.02</b>
<b>Earning per equity share (in ₹)</b>	<b>12.58</b>	<b>7.36</b>	<b>12.94</b>	<b>7.66</b>
<b>PVC Pipes and Fittings</b>				
Sale – in MTs	3,47,982	3,36,577	3,47,982	3,36,577
Sale – in ₹ Crore	4,104.05	4,185.15	4,104.05	4,185.15

During the financial year ended March 31, 2025, the Company recorded modest growth in PVC Pipes and Fittings segment inspite of weak demand scenario. The sales volume of PVC pipes and fittings stood at 3,47,982 metric tonnes (MT) in FY25, marking a 3% increase over the previous year's volume of 3,36,557 MT.

The PVC Resin segment saw an increase in sales volume (including inter-segment transfer) to 2,22,708 MT in FY25, up from 1,96,542 MT in FY24, reflecting a 13% year-on-year rise.

For the financial year ended March 31, 2025, the company reported a total standalone income of ₹4,390.22 crore, as against ₹4,498.54 crore in FY24. The reduction in revenue was primarily due to weaker realization during the year.

On standalone basis, the company posted a Profit Before Exceptional Items and Taxation of ₹587.70 crore, as against ₹613.49 crore in the previous year.

Profit After Tax, on standalone basis rose to ₹777.86 crore in FY25 from ₹455.30 crore in FY24. This increase was primarily attributable to the partial transfer of leasehold rights of the Company's Chinchwad land, which contributed significantly to overall profitability.

### Dividend

The Board of Directors have recommended a final dividend of ₹2/- (100%) per equity share of ₹2/- each and a special dividend of ₹1.60/- (80%) per equity share of ₹2/- each, aggregating to ₹3.60/- (180%) per equity share of ₹2/- each for the year ended March 31, 2025. The dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company and subject to deduction of tax at source. The dividend payout is in accordance with the Company's Dividend Distribution Policy as formulated and adopted by the Board and can be accessed at the link: [https://www.finolexpipes.com/site/assets/files/12927/dividend\\_distribution\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/12927/dividend_distribution_policy.pdf).



## Transfer to Reserves

As permitted under the Act, the Board does not propose to transfer any amount to the General Reserve and has decided to retain the entire Income for FY 2025 of ₹595.12 Crore (previous year ₹805.69 Crore) in the Profit and Loss Account.

## Deposits

The Company has not accepted any deposits from the public during the year under review as described under Chapter V of the Companies Act, 2013. No amount on account of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

## Changes in the Nature of Business

There has been no change in the nature of the business of the Company, during the period under review.

## Management Discussion and Analysis

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), a separate section on Management Discussion and Analysis Report which also covers the operations reflecting the nature of business, forms an integral part of this Annual Report.

## Consolidated Financial Statements

As at the end of the financial year 2024-2025, your Company does not have any subsidiary Company. However, it does have two associate companies namely 'Finolex Plasjon Industries Private Limited' and 'Pawas Port Limited'. Your Company has consolidated the financials of the aforesaid two associates in its Consolidated Financial Statements.

In accordance with the provisions of Section 129 of the Companies Act, 2013 (the "Act"), Schedule III of the Act and the Listing Regulations read with IND AS-110 Consolidated Financial Statements and IND AS-28 Investments in Associates, the consolidated financial statements are annexed and forms part of this Annual Report.

## Revision in Financial Statements

There has been no revision in the financial statements of the Company during the financial year 2024-25.

## Subsidiary and Associate Companies

In terms of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the associate company(ies) is given in Form AOC-1, which forms an integral part of this Annual Report.

Pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014, the performance and financial position of the associates are included in the consolidated financial statements which form integral part of this Annual Report.

During the financial year 2024-25, there is no change in associate company(ies) of the Company.

The Company has formulated the policy on material subsidiaries in consonance with the provisions of Regulation 16(i)(c) of the Listing Regulations.

As required under Regulation 46(2)(h) of the said Regulations, the Policy on Material Subsidiary has been uploaded on the Company's website and can be accessed through [https://www.finolexpipes.com/site/assets/files/147251/policy\\_on\\_material\\_subsidary-1.pdf](https://www.finolexpipes.com/site/assets/files/147251/policy_on_material_subsidary-1.pdf)

Pursuant to Regulation 34(3) of the Listing Regulations, the related party disclosures as specified in Para A of Schedule V are given below:

Sr. No.	In the accounts of	Disclosure of amounts at the year end and the maximum amount of loans/advances/ investments outstanding during the year	Remarks
1.	Holding Company	<ul style="list-style-type: none"> <li>Loans and advances in the nature of loans to subsidiary by name and amount.</li> <li>Loans and advances in the nature of loans to associates by name and amount.</li> <li>Loan and advances in the nature of loans to firms/companies in which directors are interested by name and amount.</li> </ul>	Refer Note below
2.	Subsidiary Company	Same disclosures as applicable to the parent company in the accounts of subsidiary company.	Refer Note below
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	Refer Note below

Note: Since the Company has no holding and subsidiary company and no such transactions has been undertaken with associate companies during the year, nothing is required to be reported here.

## Related Party Transactions

During the financial year, all related party transactions were on an arm's length basis and in the ordinary course of business of the Company. Prior omnibus approval is obtained for related party transactions which are of repetitive nature.

There were no materially significant related party transactions which could have potential conflict with the interests of the Company at large. None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for FY 2025 and hence the same is not provided.

Particulars of related party transactions are stated in note no. 37 in the financial statements. Your Company has formulated a policy on related party transactions and on dealing with related party transactions ('RPT Policy'). The Policy is available on Company's website and can be accessed through [https://www.finolexpipes.com/site/assets/files/147246/related\\_party\\_transactions\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/147246/related_party_transactions_policy.pdf)

## Corporate Governance

Your Company remains steadfast in upholding the highest standards of corporate governance. In accordance with Regulation 34 and Schedule V of the Listing Regulations, the Annual Report includes a dedicated section on the Corporate Governance Report as an integral component. Additionally, a certificate from a Practicing Company Secretary, affirming compliance with corporate governance norms, is appended to the Corporate Governance Report.

## Material changes and commitments

There have been no material changes or commitments that have affected the financial position of the Company between the close of FY 2025 and the date of this report. There has been no change in the nature of business of the Company.

## Risk Management

The Risk Management Committee was duly constituted by the Board in compliance with the provisions of the Listing Regulations, details of the Committee along with terms of reference are provided in the Corporate Governance Report.

The Company has a robust risk management policy and framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at

various levels including documentation and reporting. The framework has different risk identification methods which help in identifying risks, exposure and potential at Company level. Risk Management forms an integral part of business planning and forecasting. The key business risks identified by the Company and its mitigation plans are included in the Management Discussion and Analysis Report.

## Internal Financial Controls and their adequacy

The Company has laid down internal financial controls and other policies and procedures required for the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

## Directors and Key Managerial Personnel

Mr. Ajit Venkataraman (DIN: 07289950) resigned from his position as Managing Director, effective close of business hours on November 20, 2024. The Board sincerely appreciates his contributions during his tenure. Mr. Saurabh Dhanorkar (DIN: 00011322) took over as Managing Director following Mr. Ajit Venkataraman's resignation, effective November 21, 2024. His appointment was approved by the members through Postal Ballot on December 14, 2024.

Ms. Bhumika Batra (DIN: 03502004), Dr. Deepak Parikh (DIN: 06504537), Mr. Pradeep Rathi (DIN: 00018577), and Mr. Anami Roy (DIN: 01361110) ceased to hold office as Independent Directors of the Company on September 20, 2024, as their reappointment resolutions did not secure the requisite majority at the 43<sup>rd</sup> Annual General Meeting. The Board extends its sincere appreciation to the retiring directors for their invaluable contributions and dedicated service to the Company. Their guidance, expertise, and leadership have played a crucial role in shaping the organization's growth and success.

Based on the recommendations of the Nomination and Remuneration Committee, the Board appointed Mr. Debabrata Sarkar (DIN: 02502618), Mr. Vijay Bhatt (DIN: 00751001), Mr. Aditya Sapru (DIN: 00501437), Mr. Rajesh Rathi (DIN: 00018628), and Mr. Munesh Khanna (DIN: 00202521) for a five-year term commencing September 19, 2024 as Independent Directors and Mr. Pradeep Udhas (DIN: 02207112) was appointed as an Independent Director for a five-year term beginning September 30, 2024. Shareholders approved these appointments through a Postal Ballot, with voting concluding on December 14, 2024.

Mr. Rajesh Rathi (DIN: 00018628), Independent Director of the Company, ceased to be a Director of the Company with effect from August 2, 2025, following his resignation.

Mr. Saumya Chakrabarti (DIN: 09594036), Director - Technical of the Company, will cease to be a Director of the Company with effect from August 31, 2025, following his resignation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mrs. Ritu Prakash Chhabria (DIN: 00062144) will retire by rotation at the ensuing Annual General Meeting ('AGM') and being eligible, offers herself for reappointment.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 2, 2025, appointed Mr. Rambabu Sanka (DIN: 11218997) as the Whole-time Director and designated as Director - Technical for a term of 5 (five) years with effect from August 2, 2025, to August 1, 2030, subject to the approval of the shareholders at the ensuing AGM.

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on August 2, 2025, approved the appointment of Mr. Udipt Agarwal (DIN: 11219144), for a term of five years, as a Whole-time Director of the Company, to hold office from September 5, 2025 to October 31, 2025 and as a Managing Director to hold office from November 1, 2025 to September 4, 2030.

Mr. Udipt Agarwal succeeds Mr. Saurabh Dhanorkar, who will relinquish his position as Managing Director effective October 25, 2025. The Board places on record its sincere gratitude to Mr. Dhanorkar for his exemplary leadership and unwavering commitment during his tenure. The Board expresses its confidence that Mr. Udipt Agarwal's leadership and vision will be instrumental in driving the Company's future growth and strategic direction.

The Board recommends the appointment/re-appointment of all the aforesaid Directors, as detailed in the Notice of the ensuing Annual General Meeting and seeks the approval of the shareholders in this regard.

### Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 203 of the Act, Mr. Saurabh Dhanorkar, Managing Director, Mr. Chandan Verma, Chief Financial Officer and Mr. Dakshinamurthy Iyer, Company Secretary and Head Legal are the KMPs of the Company as on March 31, 2025.

### Independent Directors

All the Independent Directors of the Company have given declarations that:

- a) they meet the criteria of independence as laid down under the Companies Act and the Listing Regulations;

- b) they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgment and without any external influence pursuant to Regulation 25 of SEBI Listing Regulations;
- c) In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors and complied with the requirements of passing the proficiency test, as applicable.
- d) they have registered their names in the Independent Directors' Databank.

Based on the confirmations/disclosures received from the Independent Non-Executive Directors in terms of Regulation 25 of the SEBI Listing Regulations along with a certificate issued by M/s. SVD & Associates, Practising Company Secretaries, (Peer Review No: 6357/2025) Secretarial Auditors of the Company, the Board of Directors is of the opinion that the Independent Non-Executive Directors are of integrity and possess the requisite expertise and experience.

### Board Meetings

The Board convenes at regular intervals to deliberate on the Company's business policies and strategies, along with other key matters. It maintains strong operational oversight, facilitated by quarterly meetings featuring detailed presentations. During FY 2024-25, a total of nine Board Meetings were held, with further details provided in the Corporate Governance Report.

### Committees of the Board

In accordance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Company has constituted the following Board Committees to ensure effective governance and compliance:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;



- Risk Management Committee; and
- Corporate Social Responsibility Committee

Details of all the Committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report and forms an integral part of this Annual Report.

### Familiarization Programme for Directors

The Company has implemented a familiarization program for its Directors, including Independent Directors, in accordance with Regulation 25(7) of SEBI Listing Regulations. This program ensures that Directors are well-informed about the Company's business operations, industry dynamics, regulatory requirements, and their roles and responsibilities.

The details of the familiarization programme for independent directors are available on the website of the Company and can be accessed through [https://www.finolexpipes.com/site/assets/files/149762/familiarization\\_programmes\\_for\\_independent\\_directors\\_fy\\_2024-25.pdf](https://www.finolexpipes.com/site/assets/files/149762/familiarization_programmes_for_independent_directors_fy_2024-25.pdf)

### Policy on Directors' appointment and remuneration

The Company has implemented a Nomination and Remuneration Policy to govern the nomination and compensation of Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and other employees. This policy is aligned with the provisions of the Companies Act and SEBI Listing Regulations, incorporating amendments from time to time. The remuneration of Directors, KMP, and SMP is determined in accordance with the terms outlined in the policy, which is available on the Company's website and can be accessed through [https://www.finolexpipes.com/site/assets/files/147252/nomination\\_and\\_remuneration\\_policy-1.pdf](https://www.finolexpipes.com/site/assets/files/147252/nomination_and_remuneration_policy-1.pdf)

### Board Evaluation

The Company has established a structured mechanism for evaluating the performance of the Board, its Committees, and individual Directors. This assessment is conducted based on various criteria recommended by the Nomination and Remuneration Committee, such as composition, size, diversity, skill sets, board processes, meeting frequency, information dissemination, oversight of financial reporting and control, leadership qualities, utilization of expertise, and active participation. For more details, please refer to the Corporate Governance Report, which is an integral part of this Annual Report.

### Details pursuant to Section 197(12) of the Companies Act, 2013

The information required under Section 197(12) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure – 1** and forms integral part of this Report.

### Statutory Auditors and Auditors' Report

The Company has appointed M/s. Walker Chandiok & Co. LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company for a period of five (5) years at the Forty-First (41<sup>st</sup>) Annual General Meeting of the Company held on August 30, 2022.

Your Company's standalone and consolidated financial statements have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under Section 133 of the Act.

The report of the Statutory Auditors on the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2025 is annexed and forms an integral part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Statutory Auditors of the Company have not reported any fraud for the year under review.

### Cost Records and Cost Auditors

The Company is required to maintain cost records as specified by the Central Government in terms of Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are prepared and maintained by the Company.

Based on the recommendation of the Audit Committee, the Board appointed M/s. S. R. Bhargave & Co., Cost Accountants as the Cost Auditors of the Company for conducting the audit of the cost records maintained by the Company for the Financial year 2025-26. M/s. S. R. Bhargave & Co., have affirmed their independent status and also confirmed that they meet the eligibility criteria and are free from any disqualifications as specified under Section 141(3) and the proviso to Section 148(3) of the Companies Act, 2013.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, a resolution seeking members' approval for the ratification of remuneration payable to the Cost Auditors for the Financial Year 2025-26 forms part of the notice of the 44<sup>th</sup> Annual General Meeting of the Company and the same is recommended for your consideration and approval.

## Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules framed thereunder, the Company had appointed M/s. SVD & Associates, Practicing Company Secretaries, Pune (Peer Review No: 6357/2025) to carry out secretarial audit of the Company for the financial year 2024-25. The Secretarial Audit Report for the financial year 2024-25, is annexed as **Annexure – 2** and forms integral part of this Report.

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the Annual Secretarial Compliance Report for the financial year 2024-25 from M/s. SVD & Associates, Secretarial Auditors of the Company. The said report has been duly submitted to the Stock Exchanges within the stipulated timeline.

The observations made by the Secretarial Auditors in both the Secretarial Audit Report and the Annual Secretarial Compliance Report have been appropriately addressed and complied by the Company. The Management's response to these observations is annexed as **Annexure – 2A**.

Apart from the above, the Secretarial Auditors Report does not contain any qualifications, reservations, or adverse remarks or disclaimers.

Pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based on the recommendations of the Audit Committee, the Board, subject to members approval at this AGM, recommended the appointment of M/s. SVD & Associates, Practicing Company Secretaries, Pune as the Secretarial Auditors for a term of 5 (five) consecutive years commencing from FY 2025-26 till FY 2029-30.

## Secretarial Standards

Your Company has devised proper systems to ensure compliance with the provisions of Secretarial Standards (as applicable) issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## Disclosures

Your directors are pleased to furnish the following details which are required to be reported by the Company in the Director's Report pursuant to Section 134(3) (a) to (q) of the Act:

### i. Annual Return

In terms of Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the financial year ended March 31, 2025 is available on the website of the Company and can be accessed through [https://www.finolexpipes.com/site/assets/files/149971/annual\\_return\\_for\\_fy\\_2024-25.pdf](https://www.finolexpipes.com/site/assets/files/149971/annual_return_for_fy_2024-25.pdf)

### ii. Directors' Responsibility Statement

Your directors, on the basis of information and documents made available to them, confirm that:

- a) in the preparation of the annual financial statements for the year ended on March 31, 2025, the applicable accounting standards have been followed and there is no material departure;
- b) the directors have selected such accounting policies and applied them consistently made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- c) the directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) 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; and
- f) 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.

**iii. Vigil Mechanism /Whistle Blower Policy**

The Company has implemented a Vigil Mechanism/ Whistle Blower Policy, enabling directors and employees to report instances of unethical conduct, suspected fraud, or breaches of the Company's code of conduct or ethics policy. It is confirmed that no Director or Employee has been denied access to the Chairman of the Audit Committee, and no complaints were lodged during the year.

The said policy has been communicated to the Director(s) and Employee(s) of the Company and is also posted on the website of the Company which can be accessed through [https://www.finolexpipes.com/site/assets/files/147243/whistle\\_blower\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/147243/whistle_blower_policy.pdf)

**iv. Policy relating to Prevention of Sexual Harassment**

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the rules framed thereunder, the Company has adopted a comprehensive Prevention of Sexual Harassment Policy. This policy ensures a safe, secure, and respectful work environment for all employees, particularly women, by providing mechanisms for prevention, redressal, and deterrence of acts of sexual harassment.

Your Company has constituted an Internal Complaints Committee (ICC) in accordance with the POSH Act, which is responsible for addressing complaints and conducting inquiries in a fair and timely manner.

The details of complaints under the POSH Act for the financial year are as follows:

- Number of complaints of sexual harassment received during the year: Nil
- Number of complaints disposed of during the year: Nil
- Number of cases pending for more than 90 days: Nil

The Board confirms that during the year under review, no complaints were received or cases filed under the POSH Act.

**v. Particulars of loans, guarantees or investments**

The details of loans given, investments made or guarantees given (as applicable and if any) pursuant to Section 186 of the Companies Act, 2013, are disclosed in the notes to the financial statements.

**vi. Significant/Material Orders passed by the Regulators/Courts/Tribunals**

There are no significant and/or material orders passed by any Regulators/Courts/ Tribunals impacting the going concern status of the Company and the Company's operations in future.

Further no application, neither against the Company has been filed or is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), nor the Company has done any onetime settlement with any Bank or Financial Institutions.

**vii. Employee Stock Option Scheme**

During the year under review, your directors confirm that no shares were issued by the Company under the Finolex Industries Limited – Employee Stock Option Scheme/ Plan (ESOP) of the Company.

A statement giving complete details, as at March 31, 2025, pursuant to Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is available on the Company's website and can be accessed through [https://www.finolexpipes.com/site/assets/files/149775/disclosure\\_on\\_esop\\_2024-25.pdf](https://www.finolexpipes.com/site/assets/files/149775/disclosure_on_esop_2024-25.pdf)

The Company has obtained certificate from M/s. SVD & Associates, Secretarial Auditors of the Company, pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

**viii. Sweat equity shares and equity shares with differential voting rights**

Your directors confirm that neither sweat equity shares nor equity shares with differential voting rights have been issued by the Company during the year under review.

**ix. Conservation of Energy, technology Absorption, Foreign Exchange Earnings and Outgo**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given under Section 134(3) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure-3**, and forms integral part of this Annual Report.



**x. Business Responsibility and Sustainability Report (BRSR)**

Business Responsibility and Sustainability Report, detailing the various initiatives taken by the Company on the environmental, social and governance front is annexed as **Annexure – 4** and forms an integral part of this Annual Report.

**xi. Corporate Social Responsibility**

In accordance with the requirements of Section 135 of the Act and Rules framed thereunder, the Company has formulated a CSR Policy which is available on the Company's website and can be accessed through [https://www.finolexpipes.com/site/assets/files/148640/corporate\\_social\\_responsibility\\_-\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/148640/corporate_social_responsibility_-_policy.pdf)

Your Company as a responsible corporate citizen, actively engages in Corporate Social Responsibility (CSR) initiatives across various sectors, including education, healthcare, sanitation, skill development, social welfare, water conservation, and women empowerment. These activities are carried out in collaboration with its CSR partner, Mukul Madhav Foundation ("MMF").

The Company remains committed to contributing to the social and economic development of underprivileged communities, primarily in and around its plants located in Ratnagiri, Urse, and Badhalwadi in Maharashtra, as well as Masar in Gujarat.

The Annual Report on the CSR activities along with summary of the Impact Assessment Report is annexed as **Annexure – 5** and forms an integral part of the Annual Report.

**xii. Adherence to Provisions of the Maternity Benefit Act, 1961**

Your Company affirms that it has complied with all applicable provisions of the Maternity Benefit Act, 1961, including the provision of paid maternity leave and other prescribed benefits to eligible women employees during the financial year. The Company remains committed to supporting the health, dignity and welfare of women in the workplace.

**Acknowledgements**

The Board of Directors extends its heartfelt gratitude to the Banks, the Central and State Government departments along with local authorities, for their invaluable support and guidance. We sincerely thank our esteemed customers, suppliers, vendors and business associates for their continued cooperation and encouragement. The unwavering dedication, diligence, and commitment demonstrated by employees at all levels is deeply appreciated. The Board remains profoundly grateful to all shareholders for their trust in the Company's vision and leadership.

**For and on behalf of the Board of Directors**

Sd/-

**Prakash P. Chhabria**

Executive Chairman

DIN: 00016017

**Date:** August 2, 2025

**Place:** Netherlands

**Annexure-1**

**The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2025, is given below:**

**(a) Ratio of remuneration paid of each Director to the median remuneration of the employees of the Company and percentage increase in remuneration for the financial year:**

Sr. No.	Non-Executive Directors	Ratio of remuneration of Director to the median remuneration	% increase in remuneration during the financial year
1.	Ms. Bhumika Batra <sup>1</sup>	3.30	Not Applicable
2.	Mrs. Ritu Prakash Chhabria	6.21	51.55%
3.	Mrs. Kanchan Chitale	6.84	41.33%
4.	Mr. Saurabh Dhanorkar <sup>5</sup>	19.78	Not Applicable*
5.	Dr. Deepak Parikh <sup>1</sup>	3.30	Not Applicable
6.	Mr. Pradeep Rath <sup>1</sup>	3.91	Not Applicable
7.	Mr. Anami Roy <sup>1</sup>	3.26	Not Applicable
8.	Mr. Debabrata Sarkar <sup>2</sup>	3.34	Not Applicable
9.	Mr. Aditya Sapru <sup>2</sup>	3.34	Not Applicable
10.	Mr. Rajesh Rath <sup>2 &amp; **</sup>	3.09	Not Applicable
11.	Mr. Munesh Khanna <sup>2</sup>	3.05	Not Applicable
12.	Mr. Vijay Bhatt <sup>2</sup>	3.90	Not Applicable
13.	Mr. Pradeep Udhas <sup>3</sup>	3.25	Not Applicable

Sr. No.	Executive Directors	Ratio of remuneration of Director to the median remuneration	% increase in remuneration during the financial year
1.	Mr. Prakash Chhabria	123.93	-
2.	Mr. Ajit Venkataraman <sup>4</sup>	23.74	Not Applicable*
3.	Mr. Saumya Chakrabarti <sup>***</sup>	23.28	3.81%
4.	Mr. Saurabh Dhanorkar <sup>5</sup>	19.78	Not Applicable*

**(b) Percentage increase in remuneration of Chief Financial Officer and Company Secretary for the financial year:**

Sr. No.	Chief Financial Officer and Company Secretary	% increase in remuneration during the financial year
1.	Mr. Niraj Kedia <sup>6</sup> Chief Financial Officer	Not Applicable*
2.	Mr. Chandan Verma <sup>7</sup> Chief Financial Officer	Not Applicable*
3.	Mr. Dakshinamurthy Iyer <sup>8</sup> Company Secretary & Head Legal	Not Applicable*

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rath and Mr. Anami Roy ceased to be Independent Director of the Company w.e.f. September 20, 2024.

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rath, Mr. Munesh Khanna and Mr. Vijay Bhatt were appointed as Independent Director of the Company w.e.f. September 19, 2024.

<sup>3</sup> Mr. Pradeep Udhas was appointed as an Independent Director of the Company w.e.f. September 30, 2024.

<sup>4</sup> Mr. Ajit Venkataraman ceased to be the Managing Director of the Company w.e.f. November 20, 2024

<sup>5</sup> Mr. Saurabh Dhanorkar, Non-Executive Non-Independent Director, was appointed as Managing Director w.e.f. November 21, 2024

<sup>6</sup> Mr. Niraj Kedia, ceased to be the Chief Financial Officer effective June 30, 2024.

<sup>7</sup> Mr. Chandan Verma was appointed as Chief Financial Officer of the Company w.e.f. September 30, 2024.

<sup>8</sup> Mr. Dakshinamurthy Iyer was appointed as Company Secretary & Head Legal of the Company w.e.f. May 10, 2024

\*Not applicable since remuneration was paid for the part of the previous year/current year.

\*\*Mr. Rajesh Rath ceased to be an Independent Director w.e.f. August 2, 2025

\*\*\*Mr. Saumya Chakrabarti ceased to be Director-Technical w.e.f. August 31, 2025

- c) The percentage increase in the median remuneration of employees for the financial year was 10.27%.
- d) There were 1,499 number of permanent employees & workers on the rolls of the Company as on March 31, 2025.
- e) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2024-25 was 10.26 % and decrease of 15.90% in the managerial remuneration for the same financial year.

It is hereby affirmed that the remuneration paid to the Directors is as per the Nomination and Remuneration Policy of the Company for directors and key managerial personnel.

Details of employee remuneration as required under Section 197(12) of the Companies Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are available to any shareholder for inspection on request.

In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company at [investors@finolexind.com](mailto:investors@finolexind.com)

**For and on behalf of the Board of Directors**

Sd/-

**Prakash P. Chhabria**

Executive Chairman

DIN: 00016017

**Date:** August 2, 2025

**Place:** Netherlands



**Annexure-2****FORM NO. MR-3****Secretarial Audit Report****For the Financial Year ended March 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 &

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

**The Members,**

**Finolex Industries Limited,**

Gat No. 399, Village Urse, Taluka Maval,  
District Pune – 410506.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Finolex Industries Limited** bearing CIN: L40108PN1981PLC024153 (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025 (audit period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

- i. The Companies Act, 2013, (the Act) and rules made thereunder as amended from time to time respectively;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, wherever applicable;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 (**not applicable to the Company during the audit period**);
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**not applicable to the Company during the audit period**);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, (**not applicable to the Company during the audit period**);
  - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (**not applicable to the Company during the audit period**).
- vi. **We further report that,**  
 Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

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

- i. Secretarial Standards issued by 'The Institute of Company Secretaries of India'.
- ii. The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter as SEBI LODR)

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

1. There has been delay in transferring the amounts of unpaid dividend and the shares due to be transferred to Investor Education and Protection Fund (IEPF) pursuant to the provisions of Section 124 of the Act.
2. There has been delay in submission of disclosures of Related Party Transactions (RPT) for half year ended September 30, 2024 to the Recognized Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE) in terms of Regulation 23 (9) of SEBI LODR for which BSE and NSE levied a fine of ₹ 5,900/- (inclusive of GST) each. The Company has duly remitted the fines on December 24, 2024 to NSE and December 26, 2024 to BSE within the prescribed time as stipulated by the respective exchanges.

### **We further report that,**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were generally 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. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

### **We further report that,**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

### **We further report that,**

During the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

### **For SVD & Associates Company Secretaries**

Sd/-

**Sridhar Mudaliar**  
**Partner**

FCS No: 6156

CP No: 2664

Unique Code of the Firm: P2013MH031900

Peer Review No: 6357/2025

UDIN: F006156G000909465

Place: Pune

Date: August 2, 2025

**Note:** This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as **Annexure A** and forms an integral part of this report.

## Annexure A

**To,**  
**The Members,**  
**Finolex Industries Limited,**  
Gat No. 399, Village Urse, Taluka Maval,  
District Pune – 410506.

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have relied on the documents and evidences provided physically and by electronic mode.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

### Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

### For SVD & Associates Company Secretaries

Sd/-

**Sridhar Mudaliar**  
**Partner**

FCS No: 6156

CP No: 2664

Unique Code of the Firm: P2013MH031900

Peer Review No: 6357/2025

UDIN: F006156G000909465

Place: Pune

Date: August 2, 2025



**Annexure-2A****Management Response to the observations of the Secretarial Auditor's in their Report:**

Sr. No.	Observation	Management Response
1.	Delay in transferring the amounts of unpaid dividend and the shares due to be transferred to Investor Education and Protection Fund (IEPF) pursuant to the provisions of Section 124 of the Act.	The delay was due to technical issues during the transition of the MCA portal from V2 to V3, particularly the non-functioning of the Digital Signature Certificate (DSC) of the Company Secretary/Nodal Officer on the new V3 portal. Despite raising multiple support tickets and following up with the MCA helpdesk, the issue remained unresolved for an extended period. These challenges, beyond the Company's control, affected timely filings and transfers. The Company has subsequently undertaken corrective measures and successfully completed all pending transfers.
2.	Delay in submission of disclosures of Related Party Transactions (RPT) for half year ended September 30, 2024 to the Recognized Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE) in terms of Regulation 23 (9) of SEBI LODR for which BSE and NSE levied a fine of 5,900/- (inclusive of GST) each, for the said delay. The Company has duly remitted the fines on December 24, 2024 to NSE and December 26, 2024 to BSE within the prescribed time as stipulated by the respective exchanges.	The Company faced technical error/issues while filling the said disclosure and was able to submit the said disclosure at 12:01 a.m. and 12:03 a.m. on BSE Ltd and NSE Ltd. respectively.

## Annexure-3

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

[Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

#### A. Conservation of energy

##### a) Energy Conservation measures taken:

##### i. Urse, Masar and Ratnagiri - Pipe Plants

- Installed Energy efficient Avalong mixer and achieved energy savings of 12,000 KWh/Annum.
- Energy saving Transformer-2.5 MVA Transformers saving 51840 KWh/Annum.
- Solar open access provision resulted in saving of 1,61,67,575 Units.
- Diesel operated Forklift total of 6 Nos have been converted to battery operated.
- Installed cooling Tower Energy saving system resulted in 22KW/Day saving which is 8,030 Units saving Annually.
- Pump House Incoming water Tank filter pump motor modified from 5.5 KW To 0.75 KW which saving 32,850 Units Annually.

##### ii. Ratnagiri – Resin Plant

- Replacement of VCM cooling tower pumps with energy-efficient pumps resulted in an annual power saving of 2,78,838 kWh.
- Heat integration initiatives in VCM plant resulted in total energy (steam) savings of 17,301 MT/Annum.
- The replacement of old blowers with a single energy efficient blower resulted in annual power saving of 87,102 kWh.
- Replacement of Centrifugal pump by multistage energy efficient pump in PVC plant resulted in an annual power saving of 27,536 kWh.
- Deaerators make up pump smaller size impeller installation resulted in annual power saving of 84,095 kWh.
- Heat integration initiatives in PVC Resin plant resulted in total energy (steam) savings of 10,069 MT/Annum.

##### iii. Badhalwadi, Talegaon - Fittings Plant

- Roof Top Solar System installed and started working from March 31, 2024 till date Saving achieved 2000 Unit/Day, 7.3 Lakhs Units/Annum.
- Solar Street Lights are installed on periphery 5 numbers from Feb 25 Saving 25 Units /Day = 300Units/Annum.
- Cooling Tower water level sensor installed to reduce water wastage and Pump unit consumption, 30% saving achieved 1,825 Units/Annum.
- Express feeder installed and started from March 15, 2024 it resulted in very low power cuts from daily 2 power cuts to average monthly 2 power cuts. Reduced the Power loss (Reheating and Setup) 1.20 Lakh Units/Annum and Material Loss by 19.20 Ton/Annum.

Additional investments proposals, if any, are being planned for a reduction in the consumption of energy:

##### • Ratnagiri – Resin Plant

- Planned to change operating philosophy of Boiler operations to save fuel consumption by 25%.
- Installation of energy efficient pumps. This will yield an annual energy saving of ~55 MWh.
- Plan to integrate heat in PVC plant which will reduce steam consumption by 7,500 MT/Annum.
- Saving of 756 MWh/Annum power through integration of compressed air system across the plant.

##### • Badhalawadi, Talegaon - Fittings Plant

- Planned additional Solar Lights and Panels in Parfrey of the plant.
- Planned Open Access Power in order to reduce Power cost by 5 Rs/Unit from 10Rs/Units.

- |   |   |
|---|---|
| <p>c. Planned Molding Machine Robot installation will reduce the cycle time and power consumption.</p> <p>d. Planned Packing automations will reduce the Manpower and Energy cost.</p> <p>e. Planned Day light harvesting will reduce the Lighting cost during daytime.</p> | <p>f. Planned Lighting Management system will reduce the Lighting cost by 20%</p> |
|---|---|

## B. Technology absorption

### Research and Development (R&D)

#### i. Specific areas in which R&D efforts have been put in by company are:

Your Company has received BIS certification of PVC resin at Ratnagiri.

#### ii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. The details of technology imported	
b. The year of import	
c. Whether the technology has been fully absorbed	No Technology imported during last three years
d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	

#### iii. The expenditure incurred on Research and Development

a. Capital	The development work is carried out by the concerned departments on an ongoing basis. The expenses and the cost of assets are grouped under the respective heads.
b. Recurring	
c. Total	
d. Total R & D expenditure as a percentage of total turnover	

## C. Foreign exchange earnings and Outgo:

The Foreign Exchange earnings and outgo during the financial year 2024-25 was as under:

**Foreign Exchange earnings:** ₹ Nil

**Foreign Exchange outgo:** ₹ 1,661.38 Crore

**For and on behalf of the Board of Directors**

Sd/-

**Prakash P. Chhabria**

Executive Chairman

DIN: 00016017

**Date:** August 2, 2025

**Place:** Netherlands



## Annexure-4

## BUSINESS RESPONSIBILITY &amp; SUSTAINABILITY REPORT (BRSR)

## SECTION A- GENERAL DISCLOSURES

## I. Details of the listed entity

1. Corporate Identity Number (CIN) of the listed entity	L40108PN1981PLC024153
2. Name of the listed entity	Finolex Industries Limited
3. Year of incorporation	1981
4. Registered office address	Gat No.399, Village Urse, Taluka Maval, District Pune, Maharashtra, India - 410506
5. Corporate address	IndiQube 'The Kode' - 11 <sup>th</sup> Floor, S.No. 134, Hissa No. 1/38, Banner Pashan Link Road, Pune, Maharashtra, India - 411045
6. E-mail	<a href="mailto:investors@finolexind.com">investors@finolexind.com</a>
7. Telephone	020-27408200
8. Website	<a href="http://www.finolexpipes.com">www.finolexpipes.com</a>
9. Financial year for which reporting is being done	April 1, 2024 to March 31, 2025
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11. Paid-up Capital	₹ 124.10 Crores
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	Mr. Dakshinamurthy Iyer Tel: 020 - 27408200 Email: <a href="mailto:investors@finolexind.com">investors@finolexind.com</a>
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	This report is prepared on a standalone basis
14. Name of assessment or assurance provider	Not Applicable for the Financial Year ended on March 31, 2025
15. Type of assessment or assurance obtained	Not Applicable for the Financial Year ended on March 31, 2025

## II. Products/Services

## 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	PVC Pipes & Fittings	99%

## 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	PVC Pipes & Fittings	22209	99%

## III. Operations

## 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	04	08	12
International	-	-	-

**19. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	25
International (No. of Countries)	-

Remarks: The Company serves PAN INDIA (every state) except Mizoram, Manipur & Sikkim

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Nil

**c. A brief on types of customers**

Finolex Industries Limited (The Company / Finolex ) is one of the most trusted brands in Pipes & Fittings. We are one of the leading producer of PVC resin, making it the largest backward integrated pipes company in India. We offer wide range of PVC pipes and fittings suitable for applications in agriculture, plumbing and sanitation. Our customers are Farmers, Plumbers, Plumbing Contractors and Builders.

**IV. Employees****20. Details as at the end of Financial Year****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
Employees						
1.	Permanent (D)	1,303	1,245	95.55	58	4.45
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	1,303	1,245	95.55	58	4.45
Workers						
4.	Permanent (F)	196	196	100	-	-
5.	Other than Permanent (G)	2,908	2,791	95.98	117	4.02
6.	Total Workers (F + G)	3,104	2,987	96.23	117	3.77

**b. Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No(B)	%(B/A)	No(C)	%(C/A)
Differently Abled Employees						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
Differently Abled Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	2	2	100%	-	-
6.	Total Workers (F + G)	2	2	100%	-	-

**21. Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	11	2	18
Key Managerial Personnel*	2	-	-

\*(Excluding Key Managerial Personnel covered under Board of Directors)

**22. Turnover rate for permanent employees and workers:**

Particulars	FY 24-25 (Turnover rate in current FY)%			FY 23-24 (Turnover rate in previous FY)%			FY 22-23 (Turnover rate in the year prior to the previous FY)%		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.27	15.84	22.02	16.81	16.67	16.80	19.20	20.78	19.25
Permanent Workers	1.53	-	1.53	3	-	3	4.38	-	4.38

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (a) Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Finolex Plasson Industries Private Limited	Associate	46.35	No
2	Pawas Port Limited	Associate	49.99	No

**VI. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes****(ii) Turnover (In Crores) :** 4,109.33**(iii) Net worth (In Crores) :** 5,978.36**VII. Transparency and Disclosures Compliances****25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://www.finolexpipes.com/investors/policies-code-of-conduct/">https://www.finolexpipes.com/investors/policies-code-of-conduct/</a>	-	-	-	-	-	-
Investors (other than shareholders)	Yes <a href="https://www.finolexpipes.com/investors/investors-relations-centre/">https://www.finolexpipes.com/investors/investors-relations-centre/</a>	-	-	-	-	-	-
Shareholders	Yes <a href="https://www.finolexpipes.com/investors/investors-relations-centre/">https://www.finolexpipes.com/investors/investors-relations-centre/</a>	63	-	-	140	-	-
Employees and workers	Yes <a href="https://www.finolexpipes.com/esg/?it=sustainability/">https://www.finolexpipes.com/esg/?it=sustainability/</a>	-	-	-	-	-	-
Customers	Yes <a href="https://www.finolexpipes.com/esg/?it=sustainability/">https://www.finolexpipes.com/esg/?it=sustainability/</a>	1,245	-	-	1,811	-	-
Value Chain partners	Yes <a href="https://www.finolexpipes.com/esg/?it=sustainability/">https://www.finolexpipes.com/esg/?it=sustainability/</a>	-	-	-	-	-	-
Other (please specify)	NA	-	-	-	-	-	-



## 26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Human Rights	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Responsibility to identify and manage human rights risks in its operation and supply chain and mitigate from adverse risks and consequential damages.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has always been committed to foster a culture of trust and care, which is also a part of its human rights policy with detailed process set along for due diligence procedures to evaluate human rights risks at all levels of operations.</li> <li>Environment Health and Safety (EHS) training, Prevention of Sexual Harassment (POSH), code of conduct related to human rights are extensively covered during employee induction and then as a refresher for employees in a timely manner.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Any violation can lead to severe reputational, regulatory and damage to the organization.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Brand differentiation, Talent attraction and retention, Community trust and market goodwill</li> </ul>
2	Talent Management	R/O	<b>Risk:</b> <ul style="list-style-type: none"> <li>Failure to attract and retain talent by management to support business objectives.</li> <li>Lack of highly skilled and welltrained employees to contribute to business performance.</li> </ul> <b>Opportunity:</b> <ul style="list-style-type: none"> <li>Skilled and well-trained employees can improve manufacturing efficiency, reduce defects, and drive innovation in product design.</li> <li>Well-trained sales, distribution, and customer support teams can strengthen dealer relationships and improve after-sales service, increasing market share.</li> </ul>	<ul style="list-style-type: none"> <li>The Company continues to assess and develop employees' capabilities across levels and geographies. The Company invested in talent by providing skills based learning opportunities, access to mentoring / coaching, business projects and continues to mobilize employees into critical roles.</li> <li>The Company invested in functional training programmes for management, employees &amp; workers to build a future ready and resilient organization.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>High training and recruitment costs.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Enhanced innovation and productivity, Increased employee engagement and retention, leading to a more skilled workforce.</li> </ul>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Occupational Health and Safety	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Inherently associated with business activities and processes. Occupational Health &amp; Safety has an impact on employee well being and productivity impacting business of the Company.</li> <li>Non-compliance with safety measures by employees.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation and strict adherence of robust OHS management system and process safety management to address the risks.</li> <li>The Company has in place proactive measures like HIRA, safety walks, Job Safety Analysis (JSA), Hazard and Operability study (HAZOP), Risk and Consequences Analysis, and Safety Audits. The Company complies with all applicable Health and Safety regulations</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Accidents can put life / property in danger and impact overall productivity and result in financial loss to the Company.</li> </ul>
4	Resource Management	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Water availability in extreme weather conditions may lead to downtime and reduced productivity.</li> </ul>	<ul style="list-style-type: none"> <li>Rain water harvesting by using ground water recharge and surface reservoirs is being practiced.</li> <li>Possibility of recycling of treated effluent to 100%.</li> </ul>	<b>Negative:</b> <p>Business disruption due to:</p> <ul style="list-style-type: none"> <li>Water shortage;</li> <li>High water Cost; &amp;</li> <li>Reputational implications.</li> </ul>
	Resource Management	O	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>Water conservation measures can help in cost savings by reduction in water consumption and associated costs such as water and waste water treatment.</li> </ul>		<b>Positive:</b> <ul style="list-style-type: none"> <li>Achieving long term cost benefits and improved water footprint.</li> </ul>
	Resource Management (Energy)	R/O	<b>Risk:</b> <ul style="list-style-type: none"> <li>Risks and mitigation associated with energy management are covered under climate change.</li> </ul> <b>Opportunity:</b> <ul style="list-style-type: none"> <li>Improved operational efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Undertaken measures to conserve energy at Company's facilities by using energy efficient measures and implementing energy saving SOPs and practices to ensure optimal energy consumption at our plants.</li> <li>Conduct internal energy audits periodically to monitor process gaps and ensure continuous improvement.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Potential for increased compliance and environment costs.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Reduced energy costs, improved profit margins, and enhanced competitiveness. Reduced carbon footprint, and potential for government incentives. Avoidance of penalties and ensured operational continuity.</li> </ul>
5	Operating and Financial Performance	R/O	<b>Risks:</b> <ul style="list-style-type: none"> <li>Loss of investor's and stakeholder's trust due to non-compliance.</li> <li>Loss of brand value and reputation.</li> </ul> <b>Opportunity:</b> <ul style="list-style-type: none"> <li>Positive returns for stakeholders and investors.</li> <li>Business growth due to robust and consistent economic performance.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has robust corporate governance practices, stringent policies and procedures and a comprehensive financial management and business continuity plan to ensure consistent economic performance.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Decreased revenue due to loss of stakeholder trust.</li> <li>Increased cost to Company due to regulatory non compliance.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Increased revenues as a result of prudent financial growth.</li> </ul>

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Corporate Governance	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Strong corporate governance is core to achieve the Company's objectives and any risks or non-compliance can undermine stakeholder's trust, damage reputation and disrupt business.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has put in place strong corporate governance framework as per regulatory guidelines. It has in place a fair, transparent &amp; accountable Corporate Governance structure across its hierarchy to safeguard the interests of all stakeholders.</li> <li>There is an effective mechanism, supported by strong policies to supervise the Executive Management and oversee the critical functions of the Company.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Poor corporate governance or unethical practices may lead to loss of confidence of stakeholders including investors and customers.</li> </ul>
7	Climate Change	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Changes in climate related regulations and policies.</li> <li>Climate-related events such as extreme weather conditions, natural disasters, or disruptions in raw material availability can affect our supply chain. Reputational risks for companies that are perceived to have a negative environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigation measures to reduce greenhouse gas emissions (such as engaging in long term renewable PPAs, installation of roof top solar systems etc.), improve energy efficiency.</li> <li>Monitoring and reporting on climate performance, including setting targets and tracking progress towards emissions reductions and other climate-related goals.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Climate-related risks can have financial implications including increased costs of energy, raw materials, and compliance with environmental regulations.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Initiatives taken around climate change has a positive implication towards business.</li> </ul>
8	Data privacy and security	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Loss of the Company's and stakeholders' sensitive information due to theft or system breakdown.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the cybersecurity and information security measures by aligning with global frameworks and best practices.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Loss of sensitive data can result in regulatory non compliance and penalties.</li> </ul>
9	Quality management and Product stewardship	O	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>Emphasizing product quality allows the Company to differentiate its brand in the market.</li> <li>Delivering high quality products enhances customer satisfaction and builds trust.</li> </ul>		<b>Positive:</b> <ul style="list-style-type: none"> <li>Differentiation with competitors and increased customer trust leads to higher sales volumes, revenue growth and increase in brand reputation.</li> </ul>
10	Ecosystem and biodiversity	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Impact of operations on the biodiversity in the vicinity of Company's manufacturing plants.</li> </ul>	<ul style="list-style-type: none"> <li>Conducting biodiversity studies to measure Biodiversity index and develop plans as per outcome of the study.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Long term risk of ecosystem degradation and Biodiversity leading to reputational risk.</li> </ul>
11	Environment Management	R	<b>Risk:</b> <ul style="list-style-type: none"> <li>Evolving environmental regulations may increase the risk of non-compliance.</li> <li>Operations at production sites could pose potential adverse impacts on the environment if not effectively managed.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of robust Environmental management system, ESG policy, SHE policy to address the risks.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Unmanaged Environmental risks may pose huge financial burden on operations leading to reputational damage.</li> </ul>



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Sustainable supply chain	R/O	<b>Risk:</b> <ul style="list-style-type: none"> <li>Inefficiencies in the sustainable supply chain and high dependency on limited suppliers/vendors can impact the business during supply chain disruptions in case of adverse macro-economic scenarios.</li> </ul> <b>Opportunity:</b> <ul style="list-style-type: none"> <li>Foster long-term, trusted partnerships with suppliers and vendors by promoting effective relationship management and embedding responsible procurement practices, ensuring quality, reliability, and shared commitment to sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>Finolex regularly engages with its suppliers through structured interactions that strengthen business relationships and add mutual value. Suppliers are selected based on well-defined social, ethical, and environmental criteria, and are expected to adhere to the Supplier Code of Conduct, which includes EHS (Environment, Health &amp; Safety) requirements. By conducting awareness programs, communication forums, and interactive sessions, Finolex fosters strong partnerships, builds trust, and advances responsible and sustainable practices across its supply chain.</li> </ul>	<b>Negative:</b> <ul style="list-style-type: none"> <li>Supply chain disruptions may impact production timelines and delay deliveries.</li> </ul> <b>Positive:</b> <ul style="list-style-type: none"> <li>Opportunity to have a strong and compliant supply chain system which ensures low risk on environmental and social parameters.</li> </ul>
13	Community Development	O	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>Need Assessment done prior to project execution helps us develop strong community relations and ensure social consent to operate.</li> </ul>		<b>Positive:</b> <ul style="list-style-type: none"> <li>The benefits CSR endeavours bring to the community generates goodwill and enhances the Company's reputation.</li> </ul>
14	Risk Management	O	<b>Opportunity:</b> <ul style="list-style-type: none"> <li>The Company is better placed to identify and mitigate risks and leverage upcoming opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management Policy, RMC and Internal Audits conducted.</li> </ul>	<b>Positive:</b> <ul style="list-style-type: none"> <li>Avoiding loss of revenue by preventing adverse impacts of unprecedented risks.</li> </ul>

## SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

### Policy and management processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://www.finolexpipes.com/esg/">https://www.finolexpipes.com/esg/</a> <a href="https://www.finolexpipes.com/investors/policies-code-of-conduct/">https://www.finolexpipes.com/investors/policies-code-of-conduct/</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> <li>• All plants of the Company are certified for Integrated Management System (Quality Management System, Environment Management System &amp; Occupational Health and Safety Management System) as per ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 and also certified with Responsible Care (RC) logo.</li> <li>• Our products pipes and fittings confirms to relevant Bureau of Indian Standards and ASTM standards as applicable.</li> <li>• ISO 27001:2022 Certification for Information Security Management system.</li> <li>• S&amp;P Global Corporate Sustainability Assessment (CSA).</li> </ul>
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p><b>Reduce Carbon Footprint</b></p> <ul style="list-style-type: none"> <li>• 100% electric powered forklifts by 2030 at all the plants.</li> <li>• Implement Responsible care programme at all Plants by 2025.</li> </ul> <p><b>Biodiversity</b></p> <ul style="list-style-type: none"> <li>• Conduct Biodiversity study in Ratnagiri Plant by 2025.</li> <li>• Plantation of 1,00,000* trees by 2025 with regular monitoring of the survival rate of the saplings. (*Increase in plantation from the base level (FY-21-22) of 62,000 to 100,000 Nos.)</li> <li>• Public commitments to no deforestation and publicly available biodiversity policy.</li> </ul> <p><b>Renewable Energy</b></p> <ul style="list-style-type: none"> <li>• At least 15% of Power Consumed to come from Renewable Sources.</li> <li>• Ensure sustained engagement in ESG awareness by maintaining over 95% participation in training programs for all eligible employees across the organization.</li> </ul> <p><b>Attract &amp; Nurture Talent</b></p> <ul style="list-style-type: none"> <li>• Maintain employee turnover rate consistently under 15%.</li> </ul> <p><b>Ensure Data Privacy &amp; Security</b></p> <ul style="list-style-type: none"> <li>• ISO 27001:2022 certification for Information Security Management System.</li> <li>• Mandate regular, organization-wide training so all employees stay current on information security best practices.</li> </ul> <p><b>Code of Conduct</b></p> <ul style="list-style-type: none"> <li>• Maintain 95% adherence to the Employee Code of Conduct through documented acknowledgements and consistent training.</li> </ul>
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>The Company is committed towards ESG norms and protection of environment.</p> <ul style="list-style-type: none"> <li>• Total 75% of diesel forklifts were replaced with Electric forklifts.</li> <li>• During FY 24-25, we have extended Integrated Management System covering ISO 9001, ISO 14001 and ISO 45001 to the remaining sites along with recertification of Responsible Care Logo for next 3 years making it 100% coverage.</li> <li>• Biodiversity study for Ratnagiri plant – completed.</li> <li>• Plantation increased from base level (FY 2021-22) of 62,000 no. to 100,000 nos.</li> <li>• Public commitments to no deforestation and publicly available.</li> <li>• Biodiversity policy – policies established.</li> <li>• Increase in renewable energy share from 3.2% in FY23-24 to 11.14% in FY24-25.</li> </ul>

- ESG Policy: ESG policy framework and monitoring mechanism established.
- Participation milestone: every eligible employee attended the ESG awareness and training session, marking 100% coverage.
- During the reported timeframe, the company experienced a 14% turnover rate.
- Successfully achieved ISO 27001:2022 certification for our Information Security Management System, demonstrating our commitment to global standards in data protection and risk management.
- The organization has rolled out a required Information Security Awareness course on Learning Management System (LMS). Currently, 86% of employees have completed it.
- Assigned on the LMS, the compulsory Code of Conduct training has been completed by 60% of the workforce.

Other than above, following initiatives were taken in FY 2024-25

- Implemented several energy conservation initiatives including green energy use resulted in avoiding more than 30,000 tCO<sub>2</sub>e.
- More than 311,000 m<sup>3</sup> effluent recycled.
- More than 411,000 m<sup>3</sup> Rainwater harvested.
- Carbon sequestration (Biomass) study conducted in Ratnagiri and more than 22,000 tCO<sub>2</sub>e carbon is sequestered.

**7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):**

In a world where sustainability, responsible business practices, and stakeholder engagement are paramount, Environmental, Social, and Governance (ESG) has become a critical component of corporate management. ESG governance involves the systems and processes through which organizations integrate environmental, social, and governance considerations into their decision-making, operations, and risk management frameworks. At Finolex, sustainability has been our core value for years. Everything we do is done with excellence, considering both the present and the future. Guided by the wisdom of the farmers we collaborate with, we recognize that the innovative ideas we sow today will flourish in the future. We possess the patience and resolve to nurture these ideas until they come to fruition. With every step we take, we prioritize our stakeholders and the environment. We invest in their future and our shared future.

Our ESG journey began with the goal of holistic growth as an organization, creating value for all our stakeholders. Our initial milestone was achieving the 'Responsible Care' accreditation from the Indian Chemical Council in FY 2021-22. This accreditation underscores our dedication to continuous improvement in safe chemicals management and excellence in environmental, health, safety, and security performance. We are committed to delivering products and services of the highest quality to our customers while minimizing harm to the environment and society. Our progress is evident, through increase in renewable energy share from 3.2% in FY23-24 to 11.14% in FY24-25. This contributed to reduction in our carbon footprint by more than 31,000 MT CO<sub>2</sub>e (against last year's 20,000 MT CO<sub>2</sub>e), along with other energy saving initiatives. Further to this, Carbon sequestration study conducted in FY 24-25, showed more than 22,000 MT CO<sub>2</sub>e carbon sequestered through Biomass. As part of our ESG stewardship, we have also recycled over 311,000 m<sup>3</sup> effluent back into our processes and harvested over 467,000 Lakh m<sup>3</sup> of rainwater. During FY 24-25, we have also extended Integrated Management System covering ISO 9001, ISO 14001 and ISO 45001 to the remaining sites and recertification of Responsible care logo for next 3 years making it 100% coverage.

We have also certified for ISO27001:2022 Information security management systems. Other areas of improvement include Great Place To Work ("GPTW") certification for the 3<sup>rd</sup> year in succession, roll out of Biodiversity policy. Our CSR initiatives through our CSR partner Mukul Madhav Foundation ("MMF") support all the 17 SDGs with focus on Health, education, environmental protection, and community well-being, making a real difference where it matters most. In FY 24-25, one of the initiatives includes Olive ridley (Turtle) conservation project at Gaokhadi Ratnagiri Beach through collaboration with Forest Department.



Reflecting on the past 44 years, we realize that our journey is just beginning, with the most challenging work still ahead. This prospect fills us with purpose and excitement for the future. The legacy we've built has united a large, thriving family, creating a bright future filled with possibilities. We acknowledge that climate change poses the greatest business challenge in the coming years, as we face unprecedented extreme weather events like heatwaves, floods, and cyclones. To ensure a positive environmental footprint, we are committed to increasing the use of renewable energy resources and reducing specific energy consumption. It is our collective duty to care for Mother Earth and use natural resources efficiently at each of our manufacturing facilities.

**Saurabh Dhanorkar**  
**Managing Director**  
**DIN: 00011322**

- 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies):** At the highest level, the Board of Directors of the Company, led by Mr. Saurabh Dhanorkar, Managing Director and Mr. Saumya Chakrabarti, Director - Technical have the primary role to protect and assess the performance of Business Responsibility policy(ies).
- 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:** The Company's Risk Management Committee regularly reviews our sustainability goals and performance. Additionally, Rachit Agarwal, designated as Risk Manager, oversees internal risks faced by the organization.

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Co mmittee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action																		Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		Quarterly

**11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

Sr. no	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

**12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of directors	09	The Board Members and Key Managerial Personnel of the Company are familiarized with matters relating to regulatory matters, risk management, health, safety & environment, business performance, operations, HR and CSR initiatives at the quarterly Board/ Committee Meetings. The Executive Directors participated in the ESG Materiality Assessment Survey.	100
Key Managerial personnel	12	Key Managerial Personnel (KMPs) actively engaged in the ESG Materiality Assessment Survey and workshop, gaining valuable insights into the principles of Environment, Social, and Governance (ESG) as outlined by SEBI and MCA. They also participated in various training and awareness programs focused on the Code of Conduct, Prevention of Sexual Harassment (POSH), IT Security, and other essential compliance topics.	100
Employees other than BoD and KMPs	66	POSH/Code of Conduct, Induction on Employee Benefits/regulations, EHS related Training and awareness programmes covering topics on Code of Conduct, Prevention of Sexual Harassment (POSH), IT Security etc. which provided them the awareness on the subject. It prepares them to avoid potential risks.	80.12
Workers	66	POSH/Code of Conduct, Induction on Employee Benefits/regulations, EHS related Training and awareness programmes covering topics on Code of Conduct, Prevention of Sexual Harassment (POSH), IT Security etc. which provided them the awareness on the subject. It prepares them to avoid potential risks.	98.47

#### 2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Category	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Monetary		
			Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine Settlement Compounding fee		During the financial year, neither the Company nor any of its directors or Key Managerial Personnel (KMPs) have incurred any fines, penalties, punishments, awards, compounding fees, or settlement amounts in connection with proceedings before regulators, law enforcement agencies, or judicial institutions that are considered material under Regulation 30(4)(i)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). Refer to the Company's website for all disclosures made under Regulation 30 of SEBI (LODR) Regulations, 2015 at <a href="https://www.finolexpipes.com/investors/compliance-report">https://www.finolexpipes.com/investors/compliance-report</a>			

Non-Monetary				
Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment			Nil	

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
		Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

Yes. The Company enforces a firm zero-tolerance stance against all forms of bribery. This commitment is consistently reflected in our interactions with stakeholders and is deeply rooted in our Core Values—Customer Centricity, Ethics, Transparency, Teamwork, and Ownership.

We strictly prohibit any act of offering, promising, giving, or authorizing the transfer of anything of value—whether directly or indirectly—to any individual or organization with the intent to improperly influence decisions or gain unfair advantage. This policy applies universally and without exception.

All employees of Finolex, along with our suppliers and third-party associates, are required to adhere to the Company's Anti-Bribery and Anti-Corruption (ABAC) Policy. This policy outlines clear procedures for reporting and addressing any violations. It is publicly available at: <https://www.finolexpipes.com/esg/>.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Category	FY 2024-25	FY 2023-24
Directors		
KMPs	NIL	NIL
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

Category	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Number	Remarks	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs		NIL		NIL

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

Particulars	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	47	30



**9. Open-ness of business. Provide details of concentration of purchases with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2024-25 (Current Financial Year) %	FY 2023-24 (Previous Financial Year) %
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	58.86	59.29
	b. Number of trading houses where purchases are made from	26	33
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	83.14	80.63
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	99.37	99.48
	b. Number of dealers / distributors to whom sales are made	716	751
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	19.24	18.79
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties / Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)*	NIL	NIL

\* For Purchases calculation, we have considered direct material plus energy consumed for resin production.

### Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

S. No.	Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	1396*	Company overview, usage of products in plumbing segment, relevant areas for product availability	20

\*In case of suppliers, the Company ensures that they adhere to the Supplier Code of Conduct (COC) which covers environment, health, safety and human rights parameters and must sign the COC as part of the on-boarding process.

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same:**

Yes, the Company has established robust processes to prevent and manage conflicts of interest involving members of the Board. The Code of Conduct for the Board of Directors and Senior Management specifically addresses this topic and is available at: <https://www.finolexpipes.com/esg/>.

To ensure transparency and accountability, all Board members and senior management are required to submit a mandatory declaration and affirmation regarding any potential conflicts of interest. This declaration, endorsed by the Managing Director, is included in the Company's Annual Report.

No instances of corruption or conflict of interest were identified during the reporting period. These declarations reinforce the Company's commitment to ethical governance and ensure ongoing compliance with its Code of Conduct.

## PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:**

Category	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	9	9	Installation of energy-efficient equipment, wastewater treatment facilities, solar energy systems, and infrastructure enhancements in HSEF-related areas-leading to reduced energy consumption, more sustainable operations, and enhanced well-being for employees and surrounding communities.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- If yes, what percentage of inputs were sourced sustainably?**

Approx. 62%

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

The Company actively follows regulatory guidelines to ensure proper recycling and reuse of waste. Plastic waste is processed in compliance with prescribed standards and sent to authorized recyclers. E-waste is directed to certified dismantlers and recyclers, while hazardous waste is disposed of through approved Common Hazardous Waste Treatment, Storage, and Disposal Facilities (CHWTSDFs).

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

Yes, the company has been registered as a brand owner & importer for plastic as per the Amendment to Plastic Waste Management Rules 2016 notified EPR Guideline on February 16, 2022. Annual EPR targets are being set & returns are being filed on the Centralized EPR Portal.

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

S. No.	NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
1	22209	Pipes and Fittings	99	Cradle to grave	No	No
2	20131	PVC Resin	1	Cradle to grave	No	No

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
	No significant social or environmental concerns or risks were identified.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry):

Indicate input material	Recycled or re-used input material to total material	
	FY 24-25 Current Financial Year	FY 23-24 Previous Financial Year
Recycle inhouse crush material	3.6	4.3

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 24-25 Current Financial Year			FY 23-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	235.482	1465	-	88.1	1294.71	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

Note: Reused = Jumbo bags multiple times resulted in avoiding equivalent packaging material & Recycled = EPR credits

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
PVC Resin	61%

## PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

### Essential Indicators

#### 1. a. Details of measures for the well-being of Employee:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	1,245	1,245	100	1,245	100	-	-	1,245	100	-	-
Female	58	58	100	58	100	58	100	-	-	-	-
Total	1,303	1,303	100	1,303	100	58	100	1,245	100	-	-
Other than permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

#### b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	196	196	100	196	100	-	-	196	100	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	196	196	100	196	100	-	-	196	100	-	-
Other than permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

\*Remarks: Other than permanent workers insurance and benefits are covered by their respective facility provider

#### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 24-25 Current Financial Year	FY 23-24 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.08%	0.08%

#### 2. Details of retirement benefits:

Benefits	FY 24-25 Current Financial Year			FY 23-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y
Others – please specify	-	-	-	-	-	-

\*Remarks: The Company is maintaining gratuity trust. The employees & workers who falls within the ESI limit are 100% covered, i.e wherever ESI is applicable (whose gross salary is less than ₹ 21,000/-) 100% employees & workers are covered under the ESI scheme. In addition where the employees & workers are above the ESI limit they are covered under WC (Workmen Compensation) Policy.



### 3. Accessibility of Workplace

**Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:**

Yes

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

Yes, the Company has adopted an Equal Opportunity Policy in line with the Rights of Persons with Disabilities Act, 2016 and the rules framed thereunder. The policy, available on the Company's website at <https://www.finolexpipes.com/site/templates/assets/pdf/sustainability/Equal-Opportunity-Policy-Statement.pdf>, affirms our commitment to a diverse, inclusive, and discrimination-free workplace, ensuring fair employment practices, accessibility, and a safe, respectful environment for all.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, the Company has a grievance redressal mechanism in line with the statutory framework under Industrial Dispute Act, 1947 where workers or their representatives can raise their grievances in areas like wages, discrimination, child labour, human rights related issues etc.</p> <ol style="list-style-type: none"> <li>Any workman desirous to redress the grievance arising out of employment or relating to unfair treatment or wrongful exaction on the part of a superior shall either himself or through a trade union of which he is a member, submit a complaint to the Manager or any Officer appointed by the Manager in this behalf.</li> <li>The Manager or any such officer shall cause to be investigated the complaint at such times and places as               <ol style="list-style-type: none"> <li>The workman and any other workman of his choice, or</li> <li>Where the complaint is made through a trade union of the workmen of the establishment, a member of such union shall have the right to be present at such investigation. Where the complainant alleges unfair treatment or wrongful exaction on the part of a superior, a copy of the order finally made by the Manager shall be shared to the complainant if he asks for. In other cases the decision of the Investigation Officer and the action, if any, taken thereon by the Manager shall be intimated to the complainant. provided that complaints relating to assault or abuse by any person holding a supervisory position or refusal of an application for urgent leave shall be inquired into as early as possible by the Manager or such other officer or officers as workmen may appoint. The decision of the Manager upon any question arising out of, in connection with, or incidental to these Standing Orders shall be inquired into as early as possible by the Manager or such other officer or officers as workmen may appoint.</li> </ol> </li> </ol> <p>Further Our "Dial HR - Happy to Listen" initiative serves as a dedicated platform for employees to share their feedback, concerns, and suggestions in a confidential and supportive manner. This program reflects our emphasis on open communication and ensuring that employee voices are heard and valued.</p>
Other than Permanent Workers	

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes. The Company has grievance redressal mechanism in place wherein employee can raise their grievances with respective HR department. The HR department shall
Other than Permanent Employees	take appropriate action and resolve the grievance within a reasonable time.  Further Our "Dial HR - Happy to Listen" initiative serves as a dedicated platform for employees to share their feedback, concerns, and suggestions in a confidential and supportive manner. This program reflects our emphasis on open communication and ensuring that employee voices are heard and valued.

## 7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union(B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union(D)	%(D / C)
<b>Total Permanent Employees</b>	<b>1,303</b>	-	-	<b>1,313</b>	-	-
- Male	1,245	-	-	1,270	-	-
- Female	58	-	-	43	-	-
<b>Total Permanent Workers</b>	<b>196</b>	<b>196</b>	<b>100</b>	<b>197</b>	<b>197</b>	<b>100</b>
- Male	196	196	100	197	197	100
- Female	-	-	-	-	-	-

## 8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	1,245	1,077	86.51	1,119	89.88	1,270	973	76.61	1,206	94.96
Female	58	50	86.21	57	98.28	43	33	76.74	43	100
<b>Total</b>	<b>1,303</b>	<b>1,127</b>	<b>86.49</b>	<b>1,176</b>	<b>90.25</b>	<b>1,313</b>	<b>1,006</b>	<b>76.62</b>	<b>1,249</b>	<b>95.13</b>
<b>Workers*</b>										
Male	2,987	2,987	100	2,987	100	2,981	2,981	100	197	100
Female	117	117	100	117	100	108	108	100	108	100
<b>Total</b>	<b>3,104</b>	<b>3,104</b>	<b>100</b>	<b>3,104</b>	<b>100</b>	<b>3,089</b>	<b>3,089</b>	<b>100</b>	<b>3,089</b>	<b>100</b>

\*Note: We ensure that training to other than permanent workers on Health and safety measures and Skill upgradation is provided by their respective facility provider.

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	1,245	1,143	91.81	1,270	1,086	85.51
Female	58	43	74.14	43	35	81.40
<b>Total</b>	<b>1,303</b>	<b>1,186</b>	<b>91.02</b>	<b>1,313</b>	<b>1,121</b>	<b>85.38</b>
<b>Workers*</b>						
Male	196	196	100	197	197	100
Female	-	-	-	-	-	-
<b>Total</b>	<b>196</b>	<b>196</b>	<b>100</b>	<b>197</b>	<b>197</b>	<b>100</b>

\*Note: Performance and career development review of other than permanent workers/employees is taken care by their respective facility provider.

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system

Yes, the Company is committed to a safe and healthy workplace through its Safety, Health and Environment (SHE) policy, implemented across all plants and offices. It is certified under ISO 9001 (Quality), ISO 14001 (Environment), and ISO 45001 (Occupational Health and Safety) as part of its Integrated Management System.

To mitigate risks and prevent work-related injuries or illnesses, the Company conducts regular safety initiatives, including National Safety Week, Fire Services Week, audits, inspections, mock drills, and first aid training, with active participation from all employees.

A robust Process Safety Management (PSM) system with 11 elements and 27 procedures guides risk assessment, hazard control, SOPs/SMPs, equipment reliability, and safe work practices covering material handling, transport, lifting, and PPE usage. All incidents and near misses are reported, investigated, and analysed for continuous improvement.

Remarks:

ISO 45001 system has been implemented as a part of an Integrated Management system.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Pre-start up Safety Review (PSSR) is followed prior to start up to ensure that all safety systems are in place. Considering complexity of process and known hazards, the Company follows below methodologies to address the risks:

- 1 Hazard and Operability (HAZOP) Study** - Hazard & Operability study (HAZOP) is a systematic way to identify possible SHE hazards in the system and suggest recommendations. It is a process of examining Piping and Instrumentation Diagram (P&IDs) by applying guide words and parameters to all pipes and vessels in the process. This explicitly identifies the hazards, the potential failures, and the potential causes of failure and the recommended actions to address the issues.
- 2 Failure Modes and Effects Analysis (FMEA)** - FMEA study is conducted for critical equipment and processes. The Company uses it to design a process, review and improve a process which further acts as an efficient process control. Its' step-by-step approach identifies each failure mode, with the analysis, then estimating the effects of failure and devising ways of controlling the process so that failure can be prevented.
- 3 Fault Tree Analysis (FTA)** - This analysis method is mainly used in Safety engineering and reliability engineering to understand how systems can fail and to identify the best ways to reduce the risk or to determine event rates of an accident or a particular system failure. This helps the Company in highlighting the critical components related to system failure and to prioritize the action items in order to solve the problems.
- 4 What-if method** - It is done for critical equipment where failure is possible by different modes and failure can cause a hazardous situation.
- 5 Job Safety Analysis (JSA)/ Task Risk analysis** - JSA is conducted for all jobs involving high risk & critical job.
- 6 Reporting of unsafe condition** - Any worker / employee from any department can report unsafe condition from the work premises related to safe operation of the process.

- 7 Other Measures** such as Safety Walk, Safety Audit and Safety Report are carried to identify work-related hazards and assess risks. We strictly follow the Hazard Identification and Risk Analysis (HIRA) process and maintain HIRA register for each critical activity.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes. The Company regularly reviews and enhances its health and safety practices under the supervision of the Director – Technical cum Occupier. A Safety Committee comprising executive and worker representatives addresses safety concerns across office and plant locations.

A self-spot audit system enables employees to report unsafe acts and conditions. To strengthen HSE awareness, the Company organizes events such as National Safety Week, Fire Service Week, and World Environment Week, featuring safety training, fire drills, quizzes, poster competitions, and safety pledges.

**d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. Employees and workers have access to non-occupational medical and healthcare services. Medical centers and first aid facilities are available for both employees and workers. They are covered under group mediclaim and group accident policy.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	0.19	-
Total recordable work-related injuries	Employees	-	-
	Workers	1	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

**12. Describe the measures taken by the entity to ensure a safe and healthy work place:**

The Company prioritizes health, safety, and employee well-being, aiming to maintain the highest safety standards across its operations. The Company follows an Integrated Management System certified under ISO 9001 (Quality), ISO 14001 (Environment), and ISO 45001 (Occupational Health & Safety).

Key health and safety initiatives include:

1. ISO-Certified Management System: Ensuring zero incidents through preventive measures and plant reliability under ISO 9001, 14001, and 45001 certifications.
2. Awareness Initiatives: Observance of National Safety Week, National Fire Services Week, Environment Week, workplace inspections, audits, first aid training, and regular mock drills.
3. Risk Assessments: Conducting safety walks and evaluations of existing and new facilities using tools like HAZOP (Hazard and Operability Study) and Job Safety Analysis (JSA).
4. SOP Implementation: Developing and enforcing Standard Operating Procedures (SOPs) and Standard Maintenance Procedures (SMPs) to ensure safe working conditions and continuous employee and contractor training.



5. Value Chain Partner Evaluation: Periodic assessment of contractors and other partners on basic SHE compliance, including Pre-Startup Safety Reviews (PSSR) for new or modified facilities.
6. Equipment Inspection: Regular inspections of mechanical systems, pressure vessels, and critical devices, along with ongoing maintenance reviews.
7. Safe Material Handling: Establishing dedicated units for safe inward and outward transport and storage of chemicals and materials within plant premises

### 13. Number of Complaints on the following made by employees and workers:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

### 14. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% (through Internal and External Safety Audit, insurance agencies).
Working Conditions	100% (through Internal and External Safety Audit).

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions:

Yes, there was one LTC during mould change job when a mould felled fell down from rack system at our fitting's facility at Badhalwadi. Following corrective actions have been taken:

1. Reduction in number of size changes in a day.
2. Stopping of mould change activity during silent hours
3. All mould rack doors are kept open to ensure the rails are in line when the trolley is pulled out.
4. The handle of the rack system is now put under lock and key and shall be issued through records to eligible authorities only
5. Training on SOPs improved by including videos related to such SOPs. Refresher training is scheduled accordingly.

### Leadership Indicators

#### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):

Yes. The Company extends life insurance coverage for work related death of its employees and workers. Benefits are extended as per applicable labour laws such as Employee State Insurance Act, 1948, Employee Provident Funds and Miscellaneous Provisions Act, 1952, Workmen's Compensation Act, 1923 and Group Personal Accident benefits (policies are in place).

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners:**

The Company maintains a robust compliance framework to ensure statutory clearances and obligations are fulfilled by all value chain partners. Mandatory provisions such as payment and deduction of statutory dues are explicitly outlined within Purchase Orders and contract agreements. To uphold compliance integrity, the Company routinely verifies that all relevant clauses are adhered to and honoured by its partners.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	-	-	-	-
Workers	1	-	-	-

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes (Critical talent is retained on consultancy or retainer-ship model).

**5. Details on assessment of value chain partners:**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	44
Working Conditions	44

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

Not applicable. The value chain partners were assessed for health, safety practices and working conditions and no significant risks or concerns were identified based on receipt of their responses.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

The Company's approach to identifying and prioritizing stakeholders is anchored in the principles of inclusiveness, relevance, and responsiveness. Engagement strategies are tailored based on the type of stakeholder, their expectations, and the significance of the relationship to our business.

Our key stakeholder groups include dealers, retailers, customers, shareholders/investors, employees, suppliers, communities, media, and regulatory authorities. We maintain ongoing communication with them through a mix of digital and in-person channels such as surveys, conferences, investor interactions, workshops, and impact assessments.

We are dedicated to addressing stakeholder concerns proactively through well-designed initiatives, policies, and programs ensuring continuous dialogue and fostering long-term value creation.

## 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Dealers/ Retailers/ Customer	No	<ul style="list-style-type: none"> <li>Dealers/ Retailers Meet</li> <li>Trainings</li> <li>Field meetings</li> <li>Telephonic Conversations/ Call Centre</li> <li>Help desk</li> <li>Email interaction</li> </ul>	Regularly on a need basis	<ul style="list-style-type: none"> <li>Easy Access to Products and services</li> <li>Reliable supply of best-in-class products and services</li> </ul>
2	Investor/ Shareholder	No	<ul style="list-style-type: none"> <li>Investor Presentation/ Analyst meet</li> <li>Annual General Meetings</li> <li>Media releases</li> <li>Financial results/ declaration</li> <li>Annual Reports, Sustainability Reports, websites</li> </ul>	Quarterly / Annually	<ul style="list-style-type: none"> <li>Information on Company's financial and non-financial performance</li> <li>Transparent Disclosures good governance practices</li> </ul>
3	Community	Yes (Some of the Company's CSR Project / activities Beneficiaries)	<ul style="list-style-type: none"> <li>CSR partnership with Mukul Madhav Foundation</li> <li>Contribution towards various causes like education, healthcare, rural development, environment initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Social Contribution /CSR activities</li> <li>Community Impact assessment surveys</li> <li>Complaint and grievance mechanism</li> </ul>	<ul style="list-style-type: none"> <li>Proactive Involvement</li> <li>Community Development</li> </ul>
4	Employees	No	<ul style="list-style-type: none"> <li>Employee engagement programs</li> <li>Internal publications and circulars</li> <li>Feedback and surveys</li> <li>Performance updates</li> <li>Learning and development programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Daily (Department wise internal interaction)</li> <li>L&amp;D programmes, Feedback, and Survey conducted periodically</li> <li>Half yearly / annually</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Opportunities for personal and professional growth</li> <li>Learning and development</li> <li>Work-life balance and career progression</li> <li>Transparency and involvement in Company's strategies</li> </ul>

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
5	Suppliers	No	<ul style="list-style-type: none"> <li>Meetings</li> <li>Conferences and workshops</li> <li>Communication via telephone, email, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Regularly on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>Long term relationship</li> <li>Quick response to queries</li> <li>Services support and timely deliveries</li> </ul>
6	Media	No	<ul style="list-style-type: none"> <li>Written Communications</li> <li>Interviews and Forums Meetings</li> <li>Publications &amp; Announcements</li> </ul>	<ul style="list-style-type: none"> <li>Frequency of engagement is on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>Credible information on progress to stakeholders</li> </ul>
7	Regulators	No	<ul style="list-style-type: none"> <li>Meetings</li> <li>Representation through trade bodies Workshops</li> <li>Written communication</li> </ul>	<ul style="list-style-type: none"> <li>Frequency of engagement is on a need basis</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with rules and regulations</li> <li>Timely reporting through various compliance based forums</li> </ul>

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:

The Company has established several Board-level committees that play a critical role in shaping and overseeing its Environmental, Social, and Governance (ESG) strategy. These committees contribute significantly to strengthening the Company's resilience, sustainability, and inclusive growth. Key committees include the ESG Committee, Risk Management Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, and Safety Committee.

Each committee conducts quarterly reviews and evaluates performance within its respective domain. The findings and consolidated performance reports are presented to the Board during its quarterly meetings. In line with their defined terms of reference, both statutory and internal committees meet regularly to monitor and assess the Company's performance across various strategic and operational areas.

To further reinforce our ESG commitment, the Company has appointed Mr. Naresh Kher as Head – HSEF & Lead ESG, responsible for driving initiatives related to Health, Safety, Environment, and ESG across the organization.

Additionally, the Company maintains active and meaningful engagement with a diverse group of stakeholders. Functional teams interact periodically with stakeholders to gather feedback and address concerns related to economic, environmental, and social issues. These insights are shared with the Board, ensuring that stakeholder perspectives are integrated into strategic decision-making.

### 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:

The Company actively engages with its stakeholders through structured processes across various departments, as detailed under Essential Indicator 2 of this principle. Our sustainability approach is built on delivering long-term value by identifying key material issues through ongoing stakeholder consultations.



### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups:

The Company has always upheld a strong commitment to social responsibility, rooted in the belief that every individual has the potential to make a difference and deserves to live with dignity. In collaboration with our partner, the Mukul Madhav Foundation, we actively engage with vulnerable and marginalized communities, aiming to empower them to overcome challenges and improve their quality of life.

Our efforts focus on key areas such as education, healthcare, social welfare, and skill development. A detailed overview of our Corporate Social Responsibility (CSR) initiatives can be found in the CSR Report, which forms part of the Company's Annual Report.

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	%(B / A)	Total(C)	No. of employees / workers covered (D)	%(D / C)
<b>Employees</b>						
Permanent	1,303	1,190	91.33	1,313	1,108	84.39
Other than permanent	-	-	-	-	-	-
<b>Total Employees</b>	<b>1,303</b>	<b>1,190</b>	<b>91.33</b>	<b>1,313</b>	<b>1,108</b>	<b>84.39</b>
<b>Workers</b>						
Permanent	196	193	98.47	197	195	98.98
Other than permanent	2,908	2,841	97.70	2,892	2,892	100.00
<b>Total Workers</b>	<b>3,104</b>	<b>3,034</b>	<b>97.74</b>	<b>3,089</b>	<b>3,087</b>	<b>99.94</b>

#### 2. Details of minimum wages paid to employees, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
	No. (B)	% (B / A)	No. (C)	%(C / A)		No. (E)	% (E / D)	No. (F)	%(F / D)	
<b>Employees</b>										
<b>Permanent</b>	<b>1,303</b>	-	-	<b>1,303</b>	<b>100</b>	<b>1,313</b>	-	-	<b>1,313</b>	<b>100</b>
Male	1,245	-	-	1,245	100	1,270	-	-	1,270	100
Female	58	-	-	58	100	43	-	-	43	100
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	<b>196</b>	-	-	<b>196</b>	<b>100</b>	<b>197</b>	-	-	<b>197</b>	<b>100</b>
Male	196	-	-	196	100	197	-	-	197	100
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>	<b>2,908</b>	<b>1,991</b>	<b>68.47</b>	<b>917</b>	<b>31.53</b>	<b>2,892</b>	<b>2,779</b>	<b>96.09</b>	<b>113</b>	<b>3.91</b>
Male	2,791	1,971	70.62	820	29.38	2,784	2,673	96.01	111	3.99
Female	117	20	17.09	97	82.91	108	106	98.15	2	1.85

### 3. Details of remuneration/salary/wages, in the following format:

#### a. Median remuneration/wages:

(In crores)

Particulars	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	9	0.3	2	0.58
Key Managerial Personnel*	2	0.48	-	-
Employees other than BoD and KMP	1,240	0.09	58	0.08
Workers	196	0.09	-	-

\* (Excluding Key Managerial Personnel covered under Board of Directors)

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	4.38%	3.91%

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No):

Yes. The Company has a clearly defined focal point at each office, plant, or location, with the Head of HR responsible for addressing human rights concerns. This structure is enabled by robust Human Rights and Whistleblower Policies that provides the guiding framework for managing and resolving such issues. Further strengthening this approach, "Dial HR - Happy to Listen" initiative offer employees a safe and confidential space to share feedback, raise concerns, and feel genuinely heard.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues:

The Company maintains a strong governance framework focused on legal compliance, timely salary disbursement, and equal opportunity for all employees. Employees can raise concerns through platforms like the Ethics Helpline, HR Connect, and Dial HR. Grievances are addressed by the HR team and escalated to the Ethics Committee when required, with resolutions communicated to the concerned individuals. At factory locations, periodic Open House forums offer an additional platform for dialogue and grievance redressal.

The Company's Code of Conduct, POSH Policy, and Whistleblower Policy further enable anonymous reporting of misconduct, ensuring a safe and respectful workplace.

### 6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

The Company has robust mechanisms in place to safeguard complainants in cases of discrimination and harassment. Through its Whistleblower Policy, employees are encouraged to report unethical behavior, misconduct, or non-compliance without fear of retaliation including incidents that may lead to reputational or financial harm. Complainants are protected from unfair treatment such as threats, demotion, suspension, or denial of promotion, and may escalate concerns directly to the Chairman of the Audit Committee. Their identities are kept confidential to the extent permitted by law, and individuals assisting in investigations receive the same protection. The Company also ensures appropriate support is provided during legal or disciplinary proceedings. These safeguards are reinforced by a strong Code of Conduct, the Internal Complaints Committee (ICC) established under the Sexual Harassment of Women at Workplace Act, 2013, and the Equal Opportunity Policy, which collectively promote ethical conduct, diversity, and a discrimination-free, respectful work environment.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No):**

Yes. The Company mandates strict adherence to its Supplier Code of Conduct (SCOC) by all suppliers and value chain partners. This requirement is formally embedded within contractual documents, including Purchase Orders and Agreements. The code outlines essential human rights standards and ethical practices that suppliers are expected to uphold, reinforcing the Company's commitment to responsible sourcing and sustainable business practices.

**10. Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	-

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above:**

There were no significant human rights related risks / concerns identified by Company during FY 24-25.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints:**

In FY 2024-25, no grievances or complaints related to Human Rights principles and guidelines were reported at the Company

## 2. Details of the scope and coverage of any Human rights due-diligence conducted:

The Company has formally not conducted human rights due diligence. However, Company's Code of Conduct affirms its commitment to upholding human rights, with clear expectations for ethical behavior across the organization. Suppliers are required to follow the Supplier Code of Conduct, which mandates respect for human rights and fair labor practices within their operations.

## 3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016:

Yes. Majority of the Company's premises are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

## 4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	44
Discrimination at workplace	44
Child Labour	44
Forced Labour/Involuntary Labour	44
Wages	44
Others – please specify	-

## 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

There were no significant human rights related risks / concerns identified by Company during the FY 24-25.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

## 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Remarks: Figures in GJ

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>From renewable sources</b>		
Total electricity consumption (A)	91,733.84	26,037.00
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>91,733.84</b>	<b>26,037.00</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	2,37,306	2,56,573.21
Total fuel consumption (E)	36,71,356.29	40,64,120.37
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>39,08,662.29</b>	<b>43,20,693.58</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>40,00,396.13</b>	<b>43,46,730.58</b>
<b>Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)</b>	<b>9.73 GJ / Lakh</b>	<b>10.17 GJ / Lakh</b>



Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	201.12 GJ / Lakh	205.64 GJ / Lakh
Energy intensity in terms of physical output	7.105 GJ / Metric Tonnes	8.004 GJ / Metric Tonnes
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Figures for FY 23-24 have been revised following internal data consolidation efforts.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

No

- 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:**

No, We are not officially tagged as Designated Consumer (DC). Note: Company's Resin manufacturing plant at Ratnagiri has completed the initial assessment for tagging as a Designated Consumers (DC) through a third party appointed by Bureau of Energy Efficiency (BEE) and Targets are being set by BEE for the same and yet to be released.

- 3. Provide details of the following disclosures related to water, in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	16,62,072.00	16,12,672.00
(ii) Groundwater	22,322.00	21,866.00
(iii) Third party water	1,35,060.28	1,11,933.30
(iv) Seawater / desalinated water	6,04,857.00	16,01,510.00
(v) Others	7,78,975.00	5,75,440.00
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>32,03,286.28</b>	<b>3,923,421.3</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>23,08,603.28</b>	<b>21,80,721.3</b>
Water intensity per rupee of turnover (Water consumed / turnover) KL/₹ Lakh	5.62 KL / Lakh	5.1 KL / Lakh
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	116.07 KL / Lakh	103.17 KL / Lakh
Water intensity in terms of physical output	4.1 KL / Metric Tonnes	4.02 KL / Metric Tonnes
Water intensity (optional) – the relevant metric may be selected by the entity.	-	-

Note: Figures for FY 23-24 have been revised following internal data consolidation efforts.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

No

**4. Provide the following details related to water discharged: Water discharge by destination and level of treatment (in kilolitres):**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
With treatment – please specify level of treatment Seawater is mainly used for cooling and the water is returned to sea through a cooling tower	4,33,837	7,56,222
(iv) Sent to third-parties		
- No treatment	-	-
With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	-	-
With treatment – please specify level of treatment	-	-
Full-fledged Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) is available	4,84,064.27	5,31,424.28
<b>Total water discharged (in kilolitres)</b>	<b>9,17,901.27</b>	<b>12,87,646.28</b>

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

No

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

No

Note: The Company have full-fledged effluent treatment, and we recycle 50% of treated effluent back to process or as cooling tower make up, while rest is used for watering the green belt.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Nox	mg/Nm <sup>3</sup>	21.87	16.21
SOx	mg/Nm <sup>3</sup>	28.50	32.32
Particulate matter (PM)	mg/Nm <sup>3</sup>	23.18	31.51
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Figures for FY 23-24 have been revised following internal data consolidation efforts.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

Yes done through government approved third party laboratories i.e. M/s. Gadark Lab Pvt. Ltd., M/s. EHS Matrix Pvt. Ltd., M/s. Ecocare Solutions Pvt. Ltd.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) in MTCO<sub>2</sub>e & its intensity, in the following format:**

Parameter	Unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	TCO <sub>2</sub> e	3,53,473.99	3,82,031.47
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	TCO <sub>2</sub> e	54,106.07	58,297.02
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	TCO <sub>2</sub> e / rupee of turnover	0.99 TCO <sub>2</sub> e / Lakh	1.03 TCO <sub>2</sub> e / Lakh
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	TCO <sub>2</sub> e / rupee of turnover	20.49 TCO <sub>2</sub> e / Lakh	20.83 TCO <sub>2</sub> e / Lakh
Total Scope 1 and Scope 2 emission intensity in terms of physical output	TCO <sub>2</sub> e / rupee of turnover	0.72 TCO <sub>2</sub> e / Metric Tonnes	0.81 TCO <sub>2</sub> e / Metric Tonnes
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Figures for FY 23-24 have been revised following internal data consolidation efforts.

**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

No



**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details: Yes, as detailed below:**

Project No	Project Description	Energy Saving in GJ	Reduction of CO2 (MT CO2e)
1	Replacement of VCM CT pumps by new higher efficiency pumps ( P9202 B & C with new pumps of capacity 2350 m <sup>3</sup> /hrs & of 46 m head.)	4,137.5	406.6
2	Steam saving by heat integration in VCM Plant	58,964.0	5,660.5
3	Replacement of old K-4802F+K-7001 (GM90+ K7001) system with new GM150 blower	1,292.4	127.0
4	Replacement of Centrifugal pump P5114B by multistage energy efficient pump	408.6	40.2
5	Power saving by Deaerator make up pump impeller trimming	1,272.3	125.0
6	Increasing the centrifuge inlet slurry temperature.	34,316.2	3,294.4
7	Installation of Energy efficient Avalong mixer	43.2	9.8
8	Installation of Energy saving Transformer-2.5 MVA	186.6	42.6
9	Installation of cooling Tower Energy saving system resulted in 22KW/Day saving	28.9	6.6
10	Pump House Incoming water Tank filter pump motor modified from 5.5 KW To 0.75 KW which saving 32850 Units Annually.	1,183.9	269.9
11	Solar Street Lights are installed on periphery 5 numbers from Feb 25 Saving 25 Units /Day = 300Units/Annum	1.1	0.2
12	Cooling Tower water level sensor installed to reduce water wastage and Pump unit consumption, 30% saving achieved 1825 Units/Annum.	6.6	1.5
13	Express feeder installed and started from 15 March 2024 it resulted in very low power cuts from daily 2 power cuts to average monthly 2 power cuts. Reduced the Power loss (Reheating and Setup ) 1.20L Units/Annum and Material Loss by 19.20 Tone/Annum.	432.0	98.5
14	Energy Saving through optimizing the compound conveying system root blower cycle time.	1,122.6	110.3
<b>Total</b>		<b>1,03,395.9</b>	<b>10,193.1</b>

**9. Provide details related to waste management by the entity, in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	3,312.43	3,427.9
E-waste(B)	3.93	2.67
Bio-medical waste (C)	0.017	0.038
Construction and demolition waste (D)	-	-
Battery waste (E)	6.44	4.69
Radioactive waste (F)		
Other Hazardous waste.Please specify, if any. (G)	5,607.1	6,314.22
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	8,637.47	6,461.43
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>17,567.37</b>	<b>16,210.94</b>
Waste intensity per rupee of turnover (Total Waste Generated / Revenue from operations)	0.043 MT / Lakh	0.038 MT / Lakh
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Waste Generated / Revenue from operations adjusted for PPP)	0.883 MT / Lakh	0.778 MT / Lakh
Waste intensity in terms of physical output (Total Waste Generated / Physical Output)	0.031 MT / Metric Tonnes	0.030 MT / Metric Tonnes



Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Waste intensity (optional) the relevant metric may be selected by the entity</b>	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste – Plastic</b>		
(i) Recycled	3,312.43	3,427.94
(ii) Re-used	-	-
(iii) Other recovery operations		
<b>Total Plastic Waste Recycled, Re-used and other recovery operations</b>	<b>3,312.43</b>	<b>3,427.94</b>
<b>Category of waste - E-Waste</b>		
(i) Recycled	3.93	2.67
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total E-Waste Recycled, Re-used and other recovery operations</b>	<b>3.93</b>	<b>2.67</b>
<b>Category of waste - Bio-medical waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total Bio-medical Waste Recycled, Re-used and other recovery operations</b>	<b>-</b>	<b>-</b>
<b>Category of waste - Construction and demolition waste</b>		
(i) Recycled		
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total Construction Waste Recycled, Re-used and other recovery operations</b>	<b>-</b>	<b>-</b>
<b>Category of waste - Battery waste</b>		
(i) Recycled	6.44	4.69
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total Battery Waste Recycled, Re-used and other recovery operations</b>	<b>6.44</b>	<b>4.69</b>
<b>Category of waste - Radioactive waste</b>		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total Radioactive Waste Recycled, Re-used and other recovery operations</b>	<b>-</b>	<b>-</b>
<b>Category of waste - Other Hazardous waste</b>		
(i) Recycled	5,439.7	6,277.63
(ii) Re-used	137.46	137.05
(iii) Other recovery operations	-	-
<b>Total Other Hazardous Waste Recycled, Re-used and other recovery operations</b>	<b>5,577.16</b>	<b>6,414.68</b>
<b>Category of waste - Other Non-Hazardous waste</b>		
(i) Recycled	8,561.13	6,620.92
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total Other Non-hazardous Waste Recycled, Re-used and other recovery operations</b>	<b>8,561.13</b>	<b>6,620.92</b>
<b>Total</b>	<b>17,461.09</b>	<b>16,470.9</b>

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste – Plastic</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total Plastic Waste Incineration, Landfilling and other disposal operations</b>	-	-
<b>Category of waste - E-Waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total E-waste Waste Incineration, Landfilling and other disposal operations</b>	-	-
<b>Category of waste - Bio-medical Waste</b>		
(i) Incineration	0.0169	0.0377
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total Bio-medical Waste Incineration, Landfilling and other disposal operations</b>	<b>0.0169</b>	<b>0.0377</b>
<b>Category of waste - Construction and demolition waste</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total Construction Waste Incineration, Landfilling and other disposal operations</b>	-	-
<b>Category of waste – Battery</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total Battery Waste Incineration, Landfilling and Other disposal operations</b>	-	-
<b>Category of waste – Radioactive</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total Radioactive Waste Incineration, Landfilling and Other disposal operations</b>	-	-
<b>Category of waste - Other Hazardous waste. Please specify, if any</b>		
(i) Incineration	11.914	16.09
(ii) Landfilling	18.01	20.94
(iii) Other disposal operations	-	-
<b>Total Other Hazardous Waste Incineration, Landfilling and Other disposal operations</b>	<b>29.924</b>	<b>37.03</b>
<b>Category of waste - Other Non-hazardous waste generated</b>		
(i) Incineration	-	-
(ii) Landfilling	30.57	44.87
(iii) Other disposal operations	45.77	25.94
<b>Total Other Non-hazardous Waste Incineration, Landfilling and Other disposal operations</b>	<b>76.34</b>	<b>70.81</b>
<b>Total</b>	<b>106.28</b>	<b>107.88</b>

Note: Figures for FY 23-24 have been revised following internal data consolidation efforts.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:**

The Company believes in enhancing the circularity of its system. All our plants maintain emissions and waste within the permissible limits. The Company segregates various categories of waste and store them appropriately at designated waste storage areas across the plants. Canteen waste is converted into manure through an organic waste processor unit. Garden waste is crushed and used along with canteen waste or used for mulching. The rest of the waste is disposed of through third-party vendors. Hazardous waste, used oil, lead acid batteries, and E-waste are disposed of through State Pollution Control Board authorized parties. Biomedical waste is disposed of through a common biomedical waste treatment and disposal facility.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the FY 2024-25:**

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable						

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

## Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

(i) **Name of the area-** Not Applicable

(ii) **Nature of operations-** Not Applicable

(iii) **Water withdrawal, consumption and discharge in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	22,322.00	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-



Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
(v) Others	-	-
Total volume of water withdrawal(in kilolitres)	22,322.00	-
Total volume of water consumption (in kilolitres)	22,322.00	-
Water intensity per rupee of turnover (Water consumed / turnover)	0.05 KL / Lakh	0.0000 KL / Lakh
Water intensity (optional) – the relevant metric may be selected by the entity. KL / KL of KL water consumed / ₹ Lakhs	0.32	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
CY:NA	-	-
PY:NA	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Sewage Treatment Plant	5,368.00	-
<b>Total water discharged (in kilolitres)</b>	<b>5,368.00</b>	<b>-</b>

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

No

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Particulars	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 3 emissions		
(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	25,832.758	21,058.76
Total Scope 3 emissions per rupee of turnover	0.063 TCO <sub>2</sub> e / Lakh	0.049 TCO <sub>2</sub> e / Lakh
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	0.046 TCO <sub>2</sub> e/MT	0.039 TCO <sub>2</sub> e/MT



**Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:**

No.

- 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:**

The Company's plants / sites are not located in any of the ecologically sensitive areas.

- 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Effluent Recycling	Full-fledged effluent treatment facility upto DM plant is available	311559 m <sup>3</sup> recycled in FY 2024-25

- 5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:**

The Company has a robust Business Continuity framework to identify, monitor, and manage risks, including business disruptions, ensuring protection of stakeholder interests. The Company continues to invest in talent, systems, and processes to enhance risk management and governance standards. As part of its IT Continuity Policy, SAP plays a key role in maintaining access to critical data during disruptions, supported by real-time replication, secure backups, and high availability architecture. The Risk Management Committee oversees major risks, including cybersecurity and disaster management, ensuring that strong systems are in place for continued operations and reliable service delivery during adverse events.

- 6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:**

In Company's internal assessment, there is no significant adverse impact to the environment arising from the Value chain.

- 7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:**

44% of the Company's value chain partners based on the value of business conducted have been assessed for their environmental impact.

- 8. How many Green Credits have been generated or procured?**

- a. Generated by the listed entity:**

None

- b. Procured by the top ten (in terms of value of purchases and sales, respectively) value chain Partners:**

None

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations:**

9

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National/International)
1	Centre for Chemical Process Safety CCPs(AICG)	International
2	Chemicals & Petrochemicals Manufacturers' Association	National
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Indo American Chamber of Commerce	National
5	The Organization of Plastics Processors of India (OPPI)	National
6	Alkali Manufacturers Association of India (AMAI)	National
7	Indian Chemical Council	National
8	Indian Vinyl Council	National
9	Maharashtra Economic Development Council (MEDC)	National

**2. Provide details of corrective action taken or underway on any issues related to antcompetitive conduct by the entity, based on adverse orders from regulatory authorities:**

S. No.	Name of authority	Brief of the case	Corrective action taken
Not Applicable			

**Leadership Indicators**

**1. \*Details of Public policy advocated by the entity:**

Sr. No.	Public Policy Advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
-					

\*Remark: The Company is an active member of various national and state-level industry confederations, chambers, and associations. Through senior leadership representation, it contributes valuable expertise and strategic insights during public policy consultations. Upholding a strong commitment to responsible engagement, the Company participates in public policy advocacy with integrity, transparency, and ethical rigor.

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the FY 2024-25:

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable						

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community:

The Company has established a dedicated CSR/PR team at each of its plant locations to facilitate effective grievance redressal, including concerns raised by the local community. Upon receiving a grievance, the issue is addressed through a clearly defined escalation matrix, which typically involves the Plant Operations Head and the Human Resources team, depending on the nature of the matter. Initial efforts focus on resolving the grievance at the local plant level to ensure timely and context-specific responses. However, if resolution at this level is not feasible or requires broader intervention, the grievance is escalated to higher levels of management. This structured and tiered approach promotes transparency, accountability, and responsiveness, reinforcing the Company's commitment to addressing community concerns with integrity and care. Approach enables transparency, accountability, and responsiveness to the concerns of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2024-2025 (%) Current Financial Year	FY 2023-2024 (%) Previous Financial Year
Directly sourced from MSMEs/ small producers	9.03	12.28
Sourced directly from within India	41.12	40.71

5. \*Job creation in smaller towns- Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:

Particulars	FY 2024-2025 (%) Current Financial Year	FY 2023-2024 (%) Previous Financial Year
Rural	5	2
Semurban	6	25
Urban	46	9
Metropolitan	43	64
<b>Grand Total</b>	<b>100</b>	<b>100</b>

\*Remarks: Wages and Salaries paid to on-roll employees

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
No negative social impact identified	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Bihar	Sitamarhi, Gaya, and Kathiari	98,00,000
2	Gujarat	Dahod	5,53,980
3	Jharkhand	Ranchi	15,00,000
4	Jharkhand	Hazaribag	16,00,000
5	Maharashtra	Gadchiroli	40,85,707
6	Maharashtra	Osmanabad	13,18,498
7	Odisha	Gajapati	5,34,000
8	Uttar Pradesh	Chitrakoot	13,75,000
9	Uttarakhand	Haridwar	5,00,000

**3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No

**b. From which marginalized /vulnerable groups do you procure?**

Not applicable

**c. What percentage of total procurement (by value) does it constitute?**

Not applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the FY 2024-25), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				Nil

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved:**

S. No.	Name of the authority	Brief of the Case	Corrective action taken
			Nil

**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Preventing Child abuse and Trafficking	14,000	100
2	Supported Thalassemia Patients with medicines	21	100
3	Setting of paediatric eye surgery unit	43	100
4	Supported Deafblind children and adults with Education and Rehabilitation services	150	100
5	3 Period Positive Holiday Homes - Converting unsafe Period Huts (Kurma Ghars) into positive resting homes for menstruating women.	350	100
6	Imparting sexual and reproductive health education to youth and adolescents	90,000	100
7	Provided training on seeds and farming to widowed farmers	474	100



S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
8	Agriculture Management Services - Empowering small and marginal farming communities by enhancing their agricultural practices and ensuring sustainable livelihoods.	200	100
9	Organised entrepreneurship development and women literacy programme	471	100
10	Conducted Udyamita Entrepreneurship development for women in villages	150	100

\* Note- The number of beneficiaries are part of the society and communities surrounded in the area in which the CSR activities were carried out. The number of beneficiaries covers direct beneficiaries like hospitals, colleges, schools, villages, institutions and also its end beneficiaries.

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

The Company provides multiple channels for customers to share complaints and feedback, including email and toll-free numbers listed on the Company's website. Dealers can also connect with dedicated Customer Relationship Managers to raise and track issues.

The Company conducts annual customer feedback surveys covering product quality, delivery, and grievance redressal. Insights from these surveys are carefully considered in shaping strategic business decisions.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

#### 3. Number of consumer complaints in respect of the following:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

#### 4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:**

Yes <https://www.finolexpipes.com/tnc/>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:**

Not applicable since no incident was reported in FY 2024-25.

**7. Provide the following information relating to data breaches**

**a. Number of instances of data breaches along-with impact:**

Nil

**b. Percentage of data breaches involving personally identifiable information of customers:**

Not Applicable

**c. Impact, if any, of the data breaches:**

Not Applicable

### Leadership Indicators

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

All product related information is available on the Company's website at [www.finolexpipes.com/product](http://www.finolexpipes.com/product). As a standard practice, the Company also shares detailed catalogues with dealers and customers, covering product specifications and usage guidelines.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services:**

The Company proactively educates its customers on the safe and responsible use of products through clear product labelling, awareness programmes, and informative reminders. These initiatives help customers understand product specifications, usage instructions, and safety guidelines.

Additionally, the Company shares a comprehensive product catalogue with customers at the time of purchase, ensuring they have all necessary information for correct and effective product use.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:**

Not Applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No):**

The Company ensures that all its products comply with applicable laws and regulations, including mandatory product labelling norms. Labels, packaging, and documentation provide clear details on specifications, usage instructions, safety precautions, and other regulatory disclosures.

Customer satisfaction is a key priority for the Company. Through a robust feedback mechanism the Company gathers insights to enhance its offerings, drive innovation, and strengthen customer relationships. This approach enables the Company to consistently deliver high-quality, durable products and maintain its leadership in the market.

## Annexure-5

## Annual Report on Corporate Social Responsibility ("CSR")

- 1 Brief outline of Company's CSR Policy** The Company's CSR Policy sets out our commitment and approach towards Corporate Social Responsibility of improving the quality of life of the communities we serve. Through the philosophy of Engage, Equip and Empower, which is interwoven in all the three thrust areas, i.e. Sustainable Livelihood, Community Development and issues of National Importance, we strive to enhance education, to make need-based development interventions with community participation and address issues of national importance like Disaster Management, Affirmative Action and Sanitation.

**2. Composition of the CSR Committee**

Name of Director	Designation/ Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
Mrs. Ritu Prakash Chhabria	Chairperson, Non-Executive & Non-Independent Director	4	4
Mr. Prakash Chhabria	Member, Executive Chairman	4	3
Ms. Bhumika Batra <sup>1</sup>	Member, Independent Director	4	2
Mrs. Kanchan Chitale	Member, Independent Director	4	4
Dr. Deepak Parikh <sup>1</sup>	Member, Independent Director	4	2
Mr. Pradeep Rath <sup>1</sup>	Member, Independent Director	4	2
Mr. Anami Roy <sup>1</sup>	Member, Independent Director	4	2
Mr. Debabrata Sarkar <sup>2</sup>	Member, Independent Director	4	2
Mr. Aditya Sapru <sup>2</sup>	Member, Independent Director	4	1
Mr. Rajesh Rath <sup>2</sup>	Member, Independent Director	4	1
Mr. Vijay Bhatt <sup>2</sup>	Member, Independent Director	4	2
Mr. Munesh Khanna <sup>2</sup>	Member, Independent Director	4	2
Mr. Pradeep Udhas <sup>2</sup>	Member, Independent Director	4	2
Mr. Saurabh Dhanorkar	Member, Managing Director	4	4
Mr. Ajit Venkataraman <sup>3</sup>	Member, Managing Director	4	2

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rath and Mr. Anami Roy ceased to be Committee members of the Company w.e.f. September 20, 2024

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rath, Mr. Munesh Khanna, Mr. Vijay Bhatt and Mr. Pradeep Udhas were inducted in the CSR Committee of the Company w.e.f. September 30, 2024

<sup>3</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rath, Mr. Munesh Khanna, Mr. Vijay Bhatt were inducted in the CSR Committee of the Company w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted in the CSR Committee on October 24, 2024

\*Mr. Rajesh Rath ceased to a member of the CSR Committee of the Company with effect from August 2, 2025.

**3 Web-link where the following are disclosed on the website of the Company:**

Composition of CSR committee	<a href="https://www.finolexpipes.com/investors/compliance-report/">https://www.finolexpipes.com/investors/compliance-report/</a>
CSR Policy	<a href="https://www.finolexpipes.com/site/assets/files/148640/corporate_social_responsibility_-_policy.pdf">https://www.finolexpipes.com/site/assets/files/148640/corporate_social_responsibility_-_policy.pdf</a>
CSR projects approved by the Board	<a href="https://www.finolexpipes.com/investors/compliance-report/">https://www.finolexpipes.com/investors/compliance-report/</a>

- 4 The executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.** The Company has conducted an Impact Assessment of eligible CSR activities through an independent agency. The report is available on the Company's website and can be accessed through <https://www.finolexpipes.com/investors/compliance-report/>

Synopsis of Impact Assessment carried out by M/s. IN2X Sustainability Advisors Private Limited ('NuSocia') on the Direct Ventilator Support by Finolex and Mukul Madhav Foundation, and Infrastructure Development at I<sup>2</sup>IT and FAMT by Hope Foundation and Research Centre, is given herein below:

### Executive Summary of CSR Impact Assessment

The Company had onboarded an external agency NuSocia to provide support and assistance for an independent review and impact assessment of their CSR initiatives for fiscal year 2021-22, mixed-method approach was employed which includes both the quantitative and qualitative research tools for primary data collection. The team conducted interactions with beneficiaries & stakeholders to understand the positive change brought in their lives, Relevance, Coherence, Effectiveness, Efficiency, Impact and Sustainability of the programs.

Sr. No	Project Name	Project Location	Total beneficiaries covered	Implementing Partner	Amount in ₹ Crore
1	Direct Ventilator Support	11 Hospitals in Maharashtra	~900 <sup>1</sup>	Mukul Madhav Foundation	1.41
2	Direct Ventilator Support	22 Hospitals across Maharashtra	~1,800 <sup>1</sup>	-	4.25
3	Infrastructure Development at I <sup>2</sup> IT and FAMT	I <sup>2</sup> IT, Hinjawadi, Pune & FAMT, Ratnagiri	1,540	Mukul Madhav Foundation	1.12

<sup>1</sup>The estimate is based on an average of ~82 beneficiaries per ventilator over 4 years, factoring in high usage during the COVID peak and reduced usage in subsequent years, since the hospitals did not monitor or track individual patient usage.

The report showcases the following impact created at multiple levels:

- **Improved patient survival, reduced referrals, and increased community trust** in public hospitals. Affordable ventilator services improved accessibility for vulnerable groups.
- Strengthened **ICU capacity, reduced critical patient transfers, and improved overall emergency preparedness.**
- Upgraded facilities enhanced **student engagement, collaborative learning, and faculty teaching methods** through ICT-enabled classrooms and improved labs. Supported **regulatory compliance and accreditation** readiness (NAAC, NBA).
- Boosted **academic performance, confidence, and participation** through improved access to technology and resources. Enhanced **institutional reputation and inclusion**, enabling disadvantaged students to compete on equal footing.

### Coherence of the CSR programs:

Projects undertaken for impact assessment in the current year cover the broad areas of COVID relief support and infrastructural development programs qualifying for impact assessment covers institutions and the communities/students they serve, with a focus on measuring reach, effectiveness, and sustained outcomes.

They are closely aligned and support 4 UN Sustainable development goals.



		(Amount in ₹ Crore)
5	(a) Average net profit of the Company as per section 135(5)	558.43
	(b) Two percent of average net profit of the Company as per Section 135(5)	11.17
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
	(d) Amount required to be set off for the financial year, if any	-
	(e) Total CSR obligation for the financial year [5b+5c-5d]	11.17
6	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	28.50
	(b) Amount spent in Administrative Overheads as per Section 135(5)	-



(c) Amount spent on Impact Assessment, if applicable	0.04
(d) Total amount spent for the financial year [6a+6b+6c]	28.54
(e) CSR amount spent for the financial year:	

Total Amount Spent for the financial year (in Rs.)	Amount Unspent (in Crore Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
28.50	-	-	-	-	-

**(f) Excess amount for set-off, if any;**

Sr. No.	Particular	Amount in ₹ Crore
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	11.17
ii.	Total amount spent for the Financial Year	28.50
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	17.33
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	17.33

**7 Details of Unspent CSR amount for the preceding three financial years**

Sr. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to any fund specified under Schedule VII second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency (if any)
					Amount (in ₹)	Date of transfer		
1	FY 2023-24							
2	FY 2022-23				Nil			
3	FY 2021-22							

**8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No**

If Yes, enter the number of Capital assets created/ acquired	Not Applicable
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year	Not Applicable

**9 Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135** Not Applicable**For and on behalf of the Board of Directors**

Sd/-  
**Ritu Prakash Chhabria**  
 Chairperson, CSR Committee  
 DIN: 00062144

Sd/-  
**Saurabh Dhanorkar**  
 Managing Director  
 DIN: 00011322  
 Member, CSR Committee

Date: August 2, 2025  
 Place: London

Date: August 2, 2025  
 Place: Pune

# CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) and Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company submits the following Corporate Governance Report:

## 1. Company's Philosophy on Code of Governance:

At Finolex Industries Limited, we are committed to achieving the highest standards of corporate governance, ensuring transparency, accountability, and integrity in all aspects of our business. Our governance practices are designed to maximize shareholder value while safeguarding the interests of all stakeholders, including employees, customers, partners, and the community.

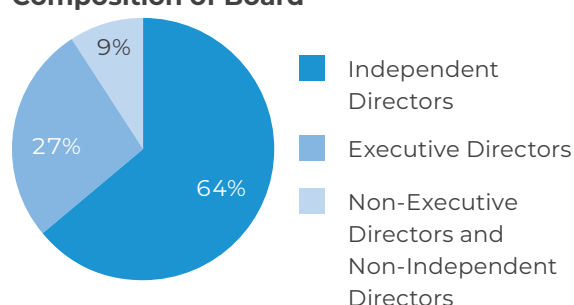
We adhere to ethical business conduct and compliance with all regulatory requirements, embedding these principles into our corporate structure, operations, and disclosure practices. Our governance philosophy is built on:

- Fair and transparent business practices;

- Effective management control by the Board;
- Optimum representation from promoter, executive, non-executive, independent and women directors on the Board;
- Accountability for performance;
- Executive Performance Monitoring;
- Strict Legal Compliance; and
- Transparent and timely disclosure of financial and other relevant information and performance.

## 2. Board of Directors ("the Board"):

### Composition of Board



The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 and rules issued thereunder, with a balanced mix of eminent Executive, Non-Executive Directors with Independent Directors constituting more than 50% of the Board's strength. Details of Board composition, category, attendance of Directors at the Board Meetings and previous Annual General Meeting, Directorships and Committee positions as on March 31, 2025 are given below:

Name of Director & Category	Directorship in other Public Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>		Directorship in other listed entities (Category of Directorship)
		As Chairman	As Member	
Mr. Prakash P. Chhabria, Executive Chairman DIN: 00016017	-	-	-	-
Mrs. Ritu Prakash Chhabria, Non-Executive & Non-Independent Director DIN: 00062144	-	-	-	-
Ms. Bhumika Batra <sup>3</sup> , Non-Executive - Independent Director DIN: 03502004	-	-	-	-
Mrs. Kanchan Chitale, Non-Executive - Independent Director DIN: 00007267	4	3	1	-
Dr. Deepak Parikh <sup>3</sup> , Non-Executive - Independent Director DIN: 06504537	-	-	-	-
Mr. Pradeep Rathi <sup>3</sup> , Non-Executive - Independent Director DIN: 00018577	-	-	-	-

Name of Director & Category	Directorship in other Public Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>		Directorship in other listed entities (Category of Directorship)
		As Chairman	As Member	
Mr. Anami Roy <sup>3</sup> , Non-Executive - Independent Director DIN: 01361110	-	-	-	-
Mr. Vijay Bhatt <sup>4</sup> , Non-Executive - Independent Director DIN: 00751001	6	5	8	<ul style="list-style-type: none"> <li>FDC Limited (Non-Executive - Independent Director)</li> <li>Bandhan Bank Limited (Non-Executive - Independent Director)</li> </ul>
Mr. Debabrata Sarkar <sup>4</sup> , Non-Executive - Independent Director DIN: 02502618	10	2	10	<ul style="list-style-type: none"> <li>NDL Ventures Limited (Non-Executive - Independent Director)</li> <li>Emami Limited (Non-Executive - Independent Director)</li> <li>Sanathan Textiles Limited (Non-Executive - Independent Director)</li> <li>GOCL Corporation Limited (Non-Executive - Independent Director)</li> </ul>
Mr. Aditya Sapru <sup>4</sup> , Non-Executive - Independent Director DIN: 00501437	6	1	10	<ul style="list-style-type: none"> <li>Jyothy Labs Limited (Non-Executive - Independent Director)</li> <li>GOCL Corporation Limited (Non-Executive - Independent Director)</li> </ul>
Mr. Rajesh Rathi <sup>4 &amp; **</sup> Non-Executive - Independent Director DIN: 00018628	2	0	3	<ul style="list-style-type: none"> <li>Sudarshan Chemical Industries Limited (Executive Director)</li> </ul>
Mr. Munesh Khanna <sup>4</sup> , Non-Executive - Independent Director DIN: 00202521	10	4	10	<ul style="list-style-type: none"> <li>Black Box Limited (Non-Executive - Independent Director)</li> <li>Hinduja Global Solutions Limited (Non-Executive - Independent Director)</li> <li>JSW Energy Limited (Non-Executive - Independent Director)</li> <li>Gulf Oil Lubricants India Limited (Non-Executive - Independent Director)</li> <li>NDL Ventures Limited (Non-Executive - Independent Director)</li> </ul>
Mr. Pradeep Udhas <sup>5</sup> , Non-Executive - Independent Director DIN: 02207112	4	0	4	<ul style="list-style-type: none"> <li>Hinduja Global Solutions Limited (Non-Executive - Independent Director)</li> <li>Indusind Bank Limited (Non-Executive - Independent Director)</li> </ul>



Name of Director & Category	Directorship in other Public Companies <sup>1</sup>	No. of Committee positions held in other public Companies <sup>2</sup>		Directorship in other listed entities (Category of Directorship)
		As Chairman	As Member	
Mr. Saurabh Dhanorkar, Managing Director <sup>6</sup> DIN: 00011322	-	-	-	-
Mr. Saumya Chakrabarti, <sup>***</sup> Executive Director DIN: 09594036	-	-	-	-
Mr. Ajit Venkataraman <sup>7</sup> , Managing Director DIN: 07289950	-	-	-	-

<sup>1</sup>Does not include private companies, foreign companies and companies established under Section 8 of the Companies Act, 2013

<sup>2</sup>Represents Audit Committee and Stakeholders Relationship Committee in public companies, excluding Finolex Industries Limited

<sup>3</sup>Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rathi and Mr. Anami Roy ceased to be Independent Director of the Company w.e.f. September 20, 2024.

<sup>4</sup>Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Munesh Khanna and Mr. Vijay Bhatt were appointed as Independent Director of the Company w.e.f. September 19, 2024

<sup>5</sup>Mr. Pradeep Udhas was appointed as Independent Director of the Company w.e.f. September 30, 2024

<sup>6</sup>Mr. Saurabh Dhanorkar, Non-Executive Non-Independent Director, was appointed as Managing Director of the Company w.e.f. November 21, 2024

<sup>7</sup>Mr. Ajit Venkataraman resigned and ceased to be the Managing Director of the Company w.e.f. November 20, 2024

\*Pursuant to relaxations provided by MCA and SEBI, Meetings were held through Video Conference / Other Audio-Visual Means. None of the Independent Directors on the Board are serving as an Independent Director in more than seven listed companies.

\*\*Mr. Rajesh Rathi tendered his resignation from the position of Independent Director of the Company, effective August 2, 2025, citing other professional commitments and preoccupation. He has further affirmed that there are no material reasons for his resignation other than those stated in his resignation letter dated August 1, 2025.

\*\*\*Mr. Saumya Chakrabarti will cease to be Director-Technical w.e.f. August 31, 2025

### Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting ('AGM')

Name of Director	Attendance in Board Meetings								AGM	
	April 11 2024	April 19 2024	May 10 2024	July 27 2024	August 19 2024	Sept 19 2024	Sept 30 2024	Oct 24 2024	Feb 06 2025	Sept 18 2024
Mr. Prakash P. Chhabria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Ritu Prakash Chhabria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Bhumika Batra <sup>1</sup>	-	✓	✓	✓	✓	✓	-	-	-	✓
Mrs. Kanchan Chitale	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Deepak Parikh <sup>1</sup>	✓	-	✓	✓	✓	✓	-	-	-	✓
Mr. Pradeep Rathi <sup>1</sup>	✓	✓	✓	✓	✓	✓	-	-	-	✓
Mr. Anami Roy <sup>1</sup>	✓	✓	✓	✓	✓	✓	-	-	-	✓
Mr. Debabrata Sarkar <sup>2</sup>	-	-	-	-	-	-	✓	✓	✓	-
Mr. Aditya Sapru <sup>2</sup>	-	-	-	-	-	-	✓	✓	✓	-
Mr. Rajesh Rathi <sup>2</sup>	-	-	-	-	-	-	-	-	✓	-
Mr. Vijay Bhatt <sup>2</sup>	-	-	-	-	-	-	✓	✓	✓	-
Mr. Munesh Khanna <sup>2</sup>	-	-	-	-	-	-	✓	✓	-	-
Mr. Pradeep Udhas <sup>3</sup>	-	-	-	-	-	-	-	✓	✓	-
Mr. Saurabh Dhanorkar <sup>4</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Saumya Chakrabarti <sup>**</sup>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ajit Venkataraman <sup>5</sup>	✓	✓	✓	✓	✓	✓	✓	✓	-	✓



<sup>1.</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rathi, Mr. Anami Roy ceased to be Independent Director of the Company w.e.f. September 20, 2024.

<sup>2.</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Munesh Khanna and Mr. Vijay Bhatt were appointed as Independent Director of the Company w.e.f. September 19, 2024

<sup>3.</sup> Mr. Pradeep Udhas was appointed as Independent Director of the Company w.e.f. September 30, 2024

<sup>4.</sup> Mr. Saurabh Dhanorkar, Non-Executive Non-Independent Director, was appointed as Managing Director of the Company w.e.f. November 21, 2024

<sup>5.</sup> Mr. Ajit Venkataraman resigned and ceased to be the Managing Director of the Company w.e.f. November 20, 2024

\*Mr. Rajesh Rathi ceased to an Independent Director of the Company with effect from August 2, 2025.

\*\*Mr. Saumya Chakrabarti will cease to be Director-Technical w.e.f. August 31, 2025

### Disclosure of relationships between directors inter-se

None of the directors are related to each other, except Mr. Prakash P. Chhabria, Executive Chairman and Mrs. Ritu Prakash Chhabria, Non-Executive and Non-Independent Director, who are also the promoters.

### Number of shares and convertible instruments held by Non-Executive Directors

The details of the equity shares of the Company held as at March 31, 2025 by the Non-Executive Directors are given below:

Name of the Director	No. of Equity Shares
Mrs. Ritu Prakash Chhabria	22,250
Mrs. Kanchan Chitale	-
Mr. Debabrata Sarkar	-
Mr. Aditya Sapru	-
Mr. Rajesh Rathi	-
Mr. Vijay Bhatt	-
Mr. Munesh Khanna	-
Mr. Pradeep Udhas	-

### Familiarization Programme

The Company has an orientation process/familiarization program for its Independent Directors, which includes sessions on various business and functional matters and strategy sessions. Detailed induction programs and familiarization program are conducted for newly appointed Directors wherein they are briefed on their role, responsibilities, duties, obligations, nature of the industry & business, plant visits, matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

The specifics of the familiarization programs provided to the Independent Directors are available on the Company's website and can be accessed at <https://www.finolexpipes.com/investors/compliance-report/>

### Skills/competencies/expertise identified by the Board of Directors

The Board has identified the following skills/ competencies/expertise fundamental for the effective functioning of the Company which are currently available with the Board and taken into account while considering nomination of any person for Board position:

Name of Director	Business & Management	Financial, Accounting & Risk Management	Leadership & Governance	Human Resource Management, Regulatory Matters, Sustainability	Sales & Marketing
Mr. Prakash P. Chhabria	✓	✓	✓	✓	✓
Mrs. Ritu Prakash Chhabria	✓	✓	✓	✓	✓
Ms. Bhumika Batra	✓	✓	✓	✓	✓
Mrs. Kanchan Chitale	✓	✓	✓	✓	✓
Dr. Deepak Parikh	✓	✓	✓	✓	✓

Name of Director	Business & Management	Financial, Accounting & Risk Management	Leadership & Governance	Human Resource Management, Regulatory Matters, Sustainability	Sales & Marketing
Mr. Pradeep Rathi	✓	✓	✓	✓	✓
Mr. Anami Roy	✓	✓	✓	✓	✓
Mr. Debabrata Sarkar	✓	✓	✓	✓	✓
Mr. Aditya Sapru	✓	✓	✓	✓	✓
Mr. Rajesh Rathi	✓	✓	✓	✓	✓
Mr. Vijay Bhatt	✓	✓	✓	✓	✓
Mr. Munesh Khanna	✓	✓	✓	✓	✓
Mr. Pradeep Udhas	✓	✓	✓	✓	✓
Mr. Saurabh Dhanorkar	✓	✓	✓	✓	✓
Mr. Saumya Chakrabarti	✓	✓	✓	✓	✓
Mr. Ajit Venkataraman	✓	✓	✓	✓	✓

### Succession Planning

Succession planning is a critical strategy for ensuring leadership continuity and long-term stability for any company. The Board of Directors has adopted a 'Succession Planning Policy' for the Board and senior management to ensure orderly succession for appointments to the Board and to Senior Management.

### Declarations

The Company has received the necessary declarations from the Independent Directors confirming that they meet the independence criteria as prescribed under the Companies Act and the Listing Regulations. The Board has taken on record the declaration and confirmation submitted by the independent directors after undertaking due veracity of the same and confirm that they fulfill the conditions of independence and are independent of the management of the Company.

### 3. Audit Committee

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The composition and terms of reference are in conformity with the aforesaid provisions.

### Brief Terms of Reference of the Audit Committee are as under-

- oversight of the Company's financial reporting process;
- reviewing with the management, the quarterly and annual financial statements and auditor's report thereon before submission to the Board for approval;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- approval or any subsequent modification of transactions of the Company with related parties;
- reviewing the performance of statutory and internal auditors, adequacy of the internal control systems, internal audit function, risk management systems;
- review the functioning of the Whistle Blower mechanism;
- review and monitor Auditor's independence, performance and effectiveness of audit process, scrutiny of inter-corporate loans and investments;
- appointment of the Chief Financial Officer & Internal Auditor;
- reviewing the Management Discussion and Analysis Report, significant related party transactions, internal audit reports, etc.

**Composition of the Audit Committee and details of Meetings held and attended during the year are as under -**

Name of Director & Category	Attendance in Audit Committee Meetings held on					
	May 10, 2024	July 27, 2024	Aug 19, 2024	Sept 30, 2024	Oct 24, 2024	Feb 06, 2025
Mr. Pradeep Rath <sup>1</sup> , Chairman, Non-Executive - Independent Director	✓	✓	✓	-	-	-
Ms. Bhumika Batra <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	-	-	-
Dr. Deepak Parikh <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	-	-	-
Mr. Anami Roy <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	-	-	-
Mr. Vijay Bhatt <sup>2</sup> , Chairman, Non-Executive - Independent Director	-	-	-	✓	✓	✓
Mrs. Kanchan Chitale, Member, Non-Executive - Independent Director	✓	✓	✓	✓	✓	✓
Mr. Debabrata Sarkar <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	✓	✓	✓
Mr. Aditya Sapru <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	✓	✓	✓
Mr. Rajesh Rath <sup>2</sup> &*, Member, Non-Executive - Independent Director	-	-	-	-	-	✓
Mr. Munesh Khanna <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	✓	✓	-
Mr. Pradeep Udhas <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	-	✓	✓
Mr. Saurabh Dhanorkar, Member, Managing Director	✓	✓	✓	✓	✓	✓

<sup>1</sup> Mr. Pradeep Rath, Ms. Bhumika Batra, Dr. Deepak Parikh, and Mr. Anami Roy ceased to be members of the Committee w.e.f. September 20, 2024

<sup>2</sup> Mr. Vijay Bhatt, Mr. Aditya Sapru, Mr. Rajesh Rath, Mr. Munesh Khanna, Mr. Debabrata Sarkar were inducted as members of the Committee w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted as member of the Committee w.e.f. October 24, 2024

\*Mr. Rajesh Rath ceased to an Independent Director of the Company with effect from August 2, 2025.

The Audit Committee Meetings are attended by the Executive Directors, Chief Financial Officer, Internal Auditors and the Statutory Auditors by invitation. The Company Secretary acts as the Secretary to the Committee. The Audit Committee holds discussion with Statutory Auditors periodically without the presence of the management.

#### 4. Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee (NRC) in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The composition and terms of reference are in conformity with the aforesaid provisions.

**Brief Terms of Reference of the Nomination and Remuneration Committee are as under-**

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- recommend to the Board the appointment/ re-appointment of Directors, Key Managerial Personnel and Senior Management Personnel;
- formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- devising a policy on diversity of board of directors;

- review the Company's succession planning process;
- recommend to the board, all remuneration, in whatever form, payable to senior management.

Further, in terms of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Nomination and Remuneration Committee also supervises the various ESOP/ESPS Plans of the Company.

### Composition, meetings held and attended during the year

Name of Director & Category	Attendance in Nomination and Remuneration Committee Meetings held on					
	May 10, 2024	July 27, 2024	Aug 19, 2024	Sept 19, 2024	Sept 30, 2024	Oct 24, 2024
Ms. Bhumika Batra <sup>1</sup> , Chairperson, Non-Executive - Independent Director	✓	✓	✓	✓	-	-
Dr. Deepak Parikh <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	✓	-	-
Mr. Pradeep Rathi <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	✓	-	-
Mr. Anami Roy <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	✓	✓	-	-
Mr. Debabrata Sarkar <sup>2</sup> , Chairman, Non-Executive - Independent Director	-	-	-	-	✓	✓
Mrs. Kanchan Chitale, Member, Non-Executive - Independent Director	✓	✓	✓	✓	✓	✓
Mr. Aditya Sapru <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	-	✓	✓
Mr. Rajesh Rathi <sup>2</sup> *, Member, Non-Executive - Independent Director	-	-	-	-	-	-
Mr. Vijay Bhatt <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	-	✓	✓
Mr. Munesh Khanna <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	-	✓	✓
Mr. Pradeep Udhas <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	-	-	-	✓
Mr. Saurabh Dhanorkar <sup>3</sup> , Member, Managing Director	✓	✓	✓	✓	✓	✓

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rathi and Mr. Anami Roy ceased to be members of the Committee w.e.f. September 20, 2024

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Vijay Bhatt, and Mr. Munesh Khanna were inducted as members of the Committee w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted as member of the Committee w.e.f. October 24, 2024.

<sup>3</sup> Mr. Saurabh Dhanorkar ceased to be the member of the Committee w.e.f. November 21, 2024

\*Mr. Rajesh Rathi ceased to an Independent Director of the Company with effect from August 2, 2025.

The Company Secretary acts as the Secretary of the Committee.

### Performance Evaluation Criteria for Independent Directors:

The key criteria while evaluating the performance of Independent Directors, include their strategic contributions to board discussions, leadership skills, business acumen, and ethical decision-making. Their ability to stay informed about industry trends, engage openly in board meetings, and provide unbiased perspectives is also assessed. Additionally, commitment, participation, and constructive communication with stakeholders play a vital role in measuring their effectiveness. The Company undertakes a structured approach, including self-assessment, peer reviews, and stakeholder feedback to evaluate and enhance the impact of Independent Directors.

### Disclosures with respect to Remuneration

The details of remuneration paid to the Directors, including the details of the stock options representing the perquisite value of the options exercised during FY 2024-25 if any, is as under:



**A. Remuneration of Executive Directors**

Particulars	Mr. Prakash P. Chhabria, Executive Chairman	Mr. Ajit Venkataraman <sup>1</sup> , Managing Director	Mr. Saumya Chakrabarti, Director - Technical	Mr. Saurabh Dhanorkar <sup>2</sup> , Managing Director
Salary and Allowance	3.57	2.00	1.40	0.72
Contribution of PF	0.25	0.11	0.07	0.04
Performance incentive/Bonus	0.42	-	0.13	0.07
<b>Total</b>	<b>4.24</b>	<b>2.11</b>	<b>1.60</b>	<b>0.83</b>
Commission	6.80	-	0.47	0.85
Notice period	6 months	3 months	3 months	3 months
Service Contract	Five Years	Five Years	Five Years	Two Years
Severance Fees	Not Applicable	Not Applicable	Not Applicable	Not Applicable

<sup>1</sup> Mr. Ajit Venkataraman resigned and ceased to be the Managing Director of the Company w.e.f. November 20, 2024

<sup>2</sup> Mr. Saurabh Dhanorkar, Non-Executive Non-Independent Director, was appointed as Managing Director of the Company w.e.f. November 21, 2024

**B. Details of Remuneration to Non-Executive Directors**

(₹ in crore)

Sr. No.	Name	Commission	Sitting fees
1	Ms. Bhumika Batra	0.25	0.04
2	Mrs. Ritu Prakash Chhabria	0.50	0.05
3	Mrs. Kanchan Chitale	0.50	0.11
4	Dr. Deepak Parikh	0.25	0.04
5	Mr. Pradeep Rathi	0.30	0.05
6	Mr. Anami Roy	0.25	0.04
7	Mr. Debabrata Sarkar	0.25	0.05
8	Mr. Aditya Sapru	0.25	0.05
9	Mr. Rajesh Rathi	0.25	0.03
10	Mr. Vijay Bhatt	0.30	0.05
11	Mr. Munesh Khanna	0.25	0.02
12	Mr. Pradeep Udhas	0.25	0.04
13	Mr. Saurabh Dhanorkar	-	0.09

The Board approves commission for non-executive directors based on factors like domain expertise, experience, time commitment, independent judgment, and contributions to governance and decision-making. This commission aligns with the Company's Nomination and Remuneration Policy and complies with Section 197 of the Companies Act, 2013.

**Note:**

As post-employment obligations and other long-term employee benefits obligation are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

The non-executive directors do not receive any remuneration from the Company except for the sitting fees and commission as approved by the Board from time to time. All independent directors are experts in their respective fields and their services are beneficial to the Company.

No stock options were issued during the financial year 2024-25.

## 5. Stakeholders' Relationship Committee

The Company has constituted the Stakeholders' Relationship Committee (SRC) in accordance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations. The composition and terms of reference are in conformity with the aforesaid provisions.

### Brief Terms of Reference of the Stakeholders' Relationship Committee are as under-

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Composition and details of Meetings held and attended during the year

Name of Director & Category	Attendance in Stakeholders' Relationship Committee Meetings held on			
	May 10, 2024	July 27, 2024	Dec 04, 2024	Feb 06, 2025
Mr. Anami Roy <sup>1</sup> , Chairman, Non-Executive - Independent Director	✓	✓	-	-
Mr. Prakash P. Chhabria, Member, Executive Director	✓	✓	-	✓
Ms. Bhumika Batra <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Dr. Deepak Parikh <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Mr. Pradeep Rathi <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Mr. Munesh Khanna <sup>2</sup> , Chairman, Non-Executive - Independent Director	-	-	✓	-
Mrs. Kanchan Chitale, Member, Non-Executive - Independent Director	✓	✓	✓	✓
Mr. Debabrata Sarkar <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Aditya Sapru <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Rajesh Rathi <sup>2</sup> &*, Member, Non-Executive - Independent Director	-	-	-	✓
Mr. Vijay Bhatt <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Pradeep Udhas <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Saurabh Dhanorkar, Member, Managing Director	✓	✓	✓	✓

<sup>1</sup> Mr. Anami Roy, Ms. Bhumika Batra, Dr. Deepak Parikh and Mr. Pradeep Rathi ceased to be members of the committee w.e.f. September 20, 2024

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Vijay Bhatt, and Mr. Munesh Khanna were inducted as members of the Committee w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted as member of the Committee w.e.f. October 24, 2024.

\*Mr. Rajesh Rathi ceased to an Independent Director of the Company with effect from August 2, 2025

The Company Secretary acts as the Secretary of the Committee.

### Name and designation of Compliance Officer

The Company has appointed Mr. Dakshinamurthy Iyer, Company Secretary as the Compliance Officer w.e.f. May 10, 2024, for complying with the requirements of the Listing Regulations.

### Details of Shareholders' letters/complaints during 2024-2025

Pending Complaints as on April 1, 2024	Complaints received during the year	Complaints disposed during the year	Complaints pending as on March 31, 2025
0	63	63	0

## 6. Risk Management Committee

The Company has constituted the Risk Management Committee (RMC) in accordance with the provisions Regulation 21 of the Listing Regulations. The composition and terms of reference are in conformity with the aforesaid provisions. The Board has approved a detailed framework on Risk Management which inter-alia covers the roles and responsibilities of the Risk Management Committee.

### Brief Terms of Reference of the Risk Management Committee are as under-

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

### Composition and details of Meetings held and attended during the year

Name of Director & Category	Attendance in Risk Management Committee Meetings held on	
	May 10, 2024	Dec 4, 2024
Mrs. Kanchan Chitale, Chairperson, Non-Executive - Independent Director	✓	✓
Mr. Prakash P. Chhabria, Member, Executive Director	✓	-
Ms. Bhumika Batra <sup>1</sup> , Member, Non-Executive - Independent Director	✓	-
Dr. Deepak Parikh <sup>1</sup> , Member, Non-Executive - Independent Director	✓	-
Mr. Pradeep Rathi <sup>1</sup> , Member, Non-Executive - Independent Director	✓	-
Mr. Anami Roy <sup>1</sup> , Member, Non-Executive - Independent Director	✓	-
Mr. Debabrata Sarkar <sup>2</sup> , Member, Non-Executive - Independent Director	-	✓
Mr. Aditya Sapru <sup>2</sup> &*, Member, Non-Executive - Independent Director	-	✓
Mr. Rajesh Rathi <sup>2</sup> , Member, Non-Executive - Independent Director	-	-

Name of Director & Category	Attendance in Risk Management Committee Meetings held on	
	May 10, 2024	Dec 4, 2024
Mr. Vijay Bhatt <sup>2</sup> , Member, Non-Executive - Independent Director	-	✓
Mr. Munesh Khanna <sup>2</sup> , Member, Non-Executive - Independent Director	-	✓
Mr. Pradeep Udhas <sup>2</sup> , Member, Non-Executive - Independent Director	-	✓
Mr. Saurabh Dhanorkar, Member, Managing Director	✓	✓
Mr. Ajit Venkataraman <sup>3</sup> , Member, Managing Director	✓	-

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rathi and Mr. Anami Roy ceased to be members of the Committee w.e.f. September 20, 2024

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Vijay Bhatt, and Mr. Munesh Khanna were inducted as members of the Committee w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted as member of the Committee w.e.f. October 24, 2024

<sup>3</sup> Mr. Ajit Venkataraman ceased to be a member of the committee w.e.f. November 20, 2024

\*Mr. Rajesh Rathi ceased to an Independent Director of the Company with effect from August 2, 2025."

Mr. Niraj Kedia, Chief Risk Officer resigned from the services of the Company w.e.f. June 30, 2024. The Company has appointed Mr. Rachit Agrawal, as Risk Manager w.e.f. July 1, 2024. The Managing Director, Chief Financial Officer and Risk Manager are permanent invitees to the meetings of the Committee. The Company Secretary acts as the Secretary of the Committee.

## 7. Corporate Social Responsibility ("CSR") Committee

The Corporate Social Responsibility Committee (CSR) of the Board of Directors meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein.

### Brief description of terms of reference:

The CSR Committee inter-alia formulates and recommends to the Board, the Company's CSR policy, CSR expenditure and Annual Action Plan, monitoring and implementation thereof.

### Composition and details of Meetings held and attended during the year

Name of Director & Category	Attendance in CSR Committee Meetings held on			
	May 10, 2024	July 27, 2024	Dec 4, 2024	Feb 6, 2025
Mrs. Ritu Prakash Chhabria, Chairperson, Non-Executive & Non-Independent Director	✓	✓	✓	✓
Mr. Prakash P. Chhabria, Member, Executive Director	✓	-	-	✓
Mrs. Kanchan Chitale, Member, Non-Executive - Independent Director	✓	✓	✓	✓
Ms. Bhumika Batra <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Dr. Deepak Parikh <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Mr. Pradeep Rathi <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Mr. Anami Roy <sup>1</sup> , Member, Non-Executive - Independent Director	✓	✓	-	-
Mr. Debabrata Sarkar <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓



Name of Director & Category	Attendance in CSR Committee Meetings held on			
	May 10, 2024	July 27, 2024	Dec 4, 2024	Feb 6, 2025
Mr. Aditya Sapru <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Rajesh Rathi <sup>2</sup> &*, Member, Non-Executive - Independent Director	-	-	-	✓
Mr. Vijay Bhatt <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Munesh Khanna <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	-
Mr. Pradeep Udhas <sup>2</sup> , Member, Non-Executive - Independent Director	-	-	✓	✓
Mr. Saurabh Dhanorkar, Member, Managing Director	✓	✓	✓	✓
Mr. Ajit Venkataraman <sup>3</sup> , Member, Managing Director	✓	✓	-	-

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rath, Mr. Anami Roy ceased to be members of the Committee of the Company w.e.f. September 20, 2024

<sup>2</sup> Mr. Debabrata Sarkar, Mr. Aditya Sapru, Mr. Rajesh Rathi, Mr. Vijay Bhatt, and Mr. Munesh Khanna were inducted as members of the Committee w.e.f. September 30, 2024 and Mr. Pradeep Udhas was inducted as member of the Committee w.e.f. October 24, 2024

<sup>3</sup> Mr. Ajit Venkataraman ceased to be a member of the committee w.e.f. November 20, 2024

\*Mr. Rajesh Rathi ceased to an Independent Director of the Company with effect from August 2, 2025.

The Company Secretary acts as the Secretary of the Committee.

## 8. Share Transfer Committee

The Company has constituted a Share Transfer Committee for considering, approving, handling, etc., all matters related to transfer, transmission, issue of duplicate share certificates, split, consolidation, dematerialization and rematerialization of securities and issuance of fresh share certificates / letter of confirmations etc.

### Composition of the Committee:

Name of Director & Category	Designation
Mrs. Kanchan Chitale, Non-Executive - Independent Director	Chairperson
Mr. Prakash P. Chhabria, Executive Director	Member
Ms. Bhumika Batra, <sup>1</sup> Non-Executive - Independent Director	Member
Dr. Deepak Parikh, <sup>1</sup> Non-Executive - Independent Director	Member
Mr. Pradeep Rath, <sup>1</sup> Non-Executive - Independent Director	Member
Mr. Anami Roy, <sup>1</sup> Non-Executive - Independent Director	Member
Mr. Saurabh Dhanorkar, Managing Director	Member
Mr. Ajit Venkataraman, <sup>2</sup> Managing Director	Member
Mr. Saumya Chakrabarti, <sup>3</sup> Executive Director	Member

<sup>1</sup> Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rath, Mr. Anami Roy ceased to be members of the Committee of the Company w.e.f. September 20, 2024

<sup>2</sup> Mr. Ajit Venkataraman ceased to be a member of the committee w.e.f. November 20, 2024

\*\*\*Mr. Saumya Chakrabarti will cease to be member of the committee w.e.f. August 31, 2025

### The details of Meetings held during the year:

During the year 2024-25, 24 (Twenty Four) meetings of Share Transfer Committee were held on April 12, 2024; April 30, 2024; May 20, 2024; May 31, 2024; June 18, 2024; June 29, 2024; July 15, 2024; July 31, 2024; August 20, 2024; August 30, 2024; September 16, 2024; September 30, 2024; October 16, 2024; October 30, 2024; November 15, 2024; November 29, 2024; December 13, 2024; December 30, 2024; January 15, 2025; January 31, 2025; February 14, 2025; February 28, 2025; March 14, 2025 and March 28, 2025.

The Company Secretary acts as the Secretary of the Committee.

## 9. Finance Committee

During the financial year, the Company consolidated its Finance Committee and Investment Committee into a single, unified body. The restructured committee is entrusted with responsibilities of reviewing and recommending investments of surplus funds, working capital borrowing arrangements, and allied treasury operations.

As part of this consolidation, the committee was also reconstituted and now comprises of the Managing Director, Chief Financial Officer and Head of Treasury.

This change aims to streamline decision-making, enhance oversight, and ensure alignment between financial planning and strategic investment goals.

## 10. Independent Directors' Meeting

The Independent Directors at their meeting held on March 29, 2025, which was attended by all the Independent Directors, reviewed –

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

## 11. General Body Meetings:

### a) The location and time where last three Annual General Meetings were held:

Year	2023-24	2022-23	2021-2022
Date of AGM	September 18, 2024	August 28, 2023	August 30, 2022
Time	4.00 p.m.	4.00 p.m.	4.00 p.m.
Venue of AGM	Through Video Conferencing (Deemed Venue: Registered Office of the Company)	Through Video Conferencing (Deemed Venue: Registered Office of the Company)	Through Video Conferencing (Deemed Venue: Registered Office of the Company)

### b) The details of special resolutions passed in the previous three Annual General Meetings:

Date of AGM	Item of special resolution
August 30, 2022	Approval for issuing offer(s) or invitation(s) to subscribe to debt securities as defined under the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, including Non-Convertible Debentures ("NCDs") for a sum not exceeding ₹ 2,50,00,00,000/- (Rupees two hundred fifty crore only) on a private placement basis in one or more tranches during a period of one year from the date of passing of this resolution within the overall borrowing limits of the Company.
August 28, 2023	Re-appointment of Mrs. Kanchan Chitale (DIN: 00007267) as an Independent Director of the Company
September 18, 2024	Re-appointment of Ms. Bhumika L. Batra (DIN: 03502004), Dr. Deepak R. Parikh (DIN: 06504537), Mr. Pradeep R. Rathi (DIN: 00018577), Mr. Anami N. Roy (DIN: 01361110), as an Independent Director of the Company and since the requisite majority was not attained the said resolutions were not passed at the Annual General Meeting

**c) Any Special Resolution passed last year through postal ballot – details of voting pattern**

During the financial year, the following special resolutions were passed by the shareholders by the requisite majority by way of postal ballot through e-voting:

Date of Postal Ballot Notice	Type of Resolution	Resolution Passed	Voting results	
			% of votes in favour *	% of Votes against
October 24, 2024	Special	Appointment of Mr. Debabrata Sarkar (DIN: 02502618) as an Independent Director of the Company	57.87	42.13
	Special	Appointment of Mr. Vijay Bhatt (DIN: 00751001) as an Independent Director of the Company	57.35	42.65
	Special	Appointment of Mr. Aditya Sapru (DIN: 00501437) as an Independent Director of the Company	57.88	42.12
	Special	Appointment of Mr. Rajesh Rathi (DIN: 00018628) as an Independent Director of the Company	56.61	43.39
	Special	Appointment of Mr. Munesh Khanna (DIN: 00202521) as an Independent Director of the Company	56.23	43.77
	Special	Appointment of Mr. Pradeep Udhas (DIN: 02207112) as an Independent Director of the Company	57.36	42.64

\*All the Special Resolutions pertaining to the appointment of Independent Directors were passed by requisite majority pursuant to Regulation 25 (2A) of SEBI LODR Regulations, 2015.

**d) Person who conducted the postal ballot exercise**

The Board of Directors at its meeting held on October 24, 2024, appointed Mr. Sridhar Mudaliar, Partner or failing him Ms. Sheetal Joshi, Partner of M/s. SVD & Associates, Company Secretaries, Pune, (Peer Review No: 6357/2025) as the 'Scrutinizer' to scrutinize the Postal Ballot process in a fair and transparent manner.

**e) Whether any Special Resolution is proposed to be conducted through postal ballot:**

No Special Resolution is proposed through postal ballot.

**f) Procedure for postal ballot**

No Special Resolution is proposed through postal ballot.

**12. Means of communication:**

- The website of the Company [www.finolexpipes.com](http://www.finolexpipes.com) acts as the primary source of information regarding the operations of the Company.
- The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India viz. Financial Express (English) and Loksatta (Marathi) along with the Quick Response code where such financial results are available and can be accessed by the investors.
- The results are displayed on the Company's website [www.finolexpipes.com](http://www.finolexpipes.com). The presentations, if any made to the institutional investors/analysts are also displayed on the website. A Fact sheet providing a gist of the quarterly, half yearly and annual results of the Company is displayed on the Company's website. Further, the Financial Results and various compliance reports/information in accordance with the provisions of the Listing Regulations are made available on the websites of the Stock Exchanges i.e. BSE Limited [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com).

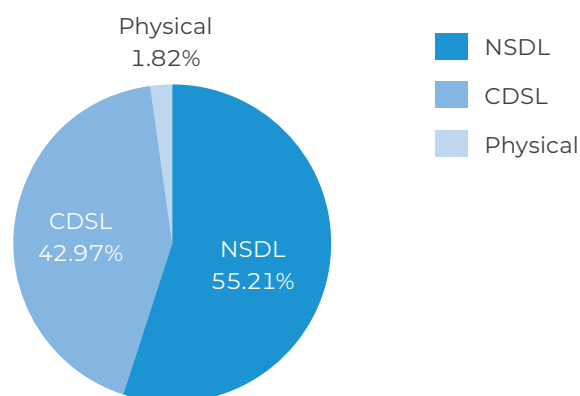
### 13. General Shareholder Information:

<b>A Annual General Meeting date, time and venue</b>	Date: Friday, September 12, 2025 Time: 4:00 p.m. (IST) Venue: In view of the relaxation provided by the regulators the Company is conducting meeting through VC/OAVM pursuant to the MCA General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 read with latest circular no. 09/2024 dated September 19, 2024. The deemed venue of the ensuing Annual General Meeting shall be the Registered Office of the Company. For details of registered office address, please refer the AGM Notice.			
<b>B Financial year</b>	April 1 to March 31			
	Quarter ended June 30, 2025	August 2, 2025		
	Half year ending September 30, 2025	On or before November 14, 2025		
	Quarter ending December 31, 2025	On or before February 14, 2026		
	Year ending March 31, 2026	Within 60 days of the close of financial Year ending on March 31, 2026 i.e. On or before May 30, 2026		
	Annual General Meeting for the year ended March 31, 2025	Friday, September 12, 2025		
<b>C Dividend Payment date</b>	On or before October 11, 2025, subject to approval of shareholders at 44 <sup>th</sup> (Forty-Fourth) AGM			
<b>D Book closure period</b>	Saturday, September 6, 2025 to Friday, September 12, 2025 (both days inclusive)			
<b>E The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of the listing fees</b>	The Equity Shares of the Company are listed on: <table><tr><td>National Stock Exchange of India Limited 5, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051</td><td>BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai 400 001</td></tr></table> The Company has paid all due annual listing fees to all Stock Exchanges where shares of the Company are listed.		National Stock Exchange of India Limited 5, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai 400 001
National Stock Exchange of India Limited 5, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai 400 001			
<b>F In case the securities are suspended from trading, the Directors Report shall explain the reasons thereof.</b>	Securities are not suspended from trading during the period under review.			
<b>G Registrar to an issue and share transfer agent</b>	KFin Technologies Limited (RTA) SEBI Registration no. 000000221 Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032			
<b>H Share transfer system</b>	In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019. Further, w.e.f. January 25, 2022 transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.			



I	Distribution of shareholding as on March 31, 2025	Category	Total Investors	% of total B	Total Shares	% of total D
		A	B	C	D	E
		Below 5000	2,54,062	99.78	8,01,03,999	12.91
		Between 5001 and 10000	1305	0.51	93,21,893	1.50
		Between 10001 and 20000	427	0.17	60,14,246	0.97
		Between 20001 and 30000	114	0.04	28,52,207	0.46
		Between 30001 and 40000	52	0.02	18,27,242	0.29
		Between 40001 and 50000	30	0.01	13,82,470	0.22
		Between 50001 and 100000	84	0.03	61,33,306	0.99
		Above 100001	158	0.06	51,28,41,542	82.65
		<b>Total</b>	<b>2,56,232</b>	<b>100.00</b>	<b>6,20,476,905</b>	<b>100.00</b>
J	Dematerialization of shares and liquidity as on March 31, 2025	Depository/ Physical	No. of shares		% of total shares	
		NSDL	34,25,50,444		55.21	
		CDSL	26,66,37,696		42.97	
		Physical	1,12,88,765		1.82	
		<b>Total</b>	<b>62,04,76,905</b>		<b>100</b>	

Number of shares



K	Outstanding GDR, ADR or warrants or convertible instruments, conversion date and likely impact on equity	No such issue made by the Company.
L	Commodity price risk or foreign exchange risk and hedging activities	The details are included in this report under point no. 9 under the heading 'Other Disclosure'

<b>M Plant locations</b>	<ul style="list-style-type: none"> <li>PVC &amp; PVC Pipes Plant: Ranpar – Pawas Road, District – Ratnagiri 415 616, Maharashtra</li> <li>PVC Pipes and Fittings Plants: Gat No.399, Urse, Taluka Maval, District – Pune 410 506, Maharashtra</li> <li>PVC Pipes Plant: Village Masar, Taluka Padra, District Vadodara 391 421, Gujarat</li> <li>Fittings Plant: Gat No. 464, Village Badhalwadi, Taluka Maval, Near Talegaon District - Pune 410507, Maharashtra</li> </ul>
<b>N Address for investor correspondence</b>	<p>KFIN Technologies Limited Unit: Finolex Industries Limited Selenium Building, Tower-B, Plot No 31 &amp; 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032 WhatsApp: +91-910 009 4099 Toll Free: 1-800-309-4001 Email ID: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="https://www.kfintech.com">https://www.kfintech.com</a> Corporate Registry (RIS) Website Link: <a href="https://ris.kfintech.com">https://ris.kfintech.com</a>   Investor Support Centre Link: <a href="https://ris.kfintech.com/clientservices/isc">https://ris.kfintech.com/clientservices/isc</a></p>
<b>O List of all credit ratings obtained by the Company</b>	<ul style="list-style-type: none"> <li>Short term - CRISIL / INDIA Ratings CRISIL A1+/ IND A1+</li> <li>Long term - CRISIL / INDIA Ratings CRISIL AA+/Stable / IND AA+/ Stable</li> <li>During the year under review, there is no revision in credit rating.</li> </ul>

## Other disclosures:

### 1. Disclosure required

A	Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large	No such cases
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	Delay in submission of disclosures of Related Party Transactions (RPT) for half year ended September 30, 2024 to the Recognized Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE) in terms of Regulation 23 (9) of SEBI LODR for which BSE and NSE levied a fine of Rs.5,900/- (inclusive of GST) each, for the said delay. The Company has duly remitted the fines on December 24, 2024 to NSE and December 26, 2024 to BSE within the prescribed time as stipulated by the respective exchanges.
C	Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee	Vigil mechanism/whistle blower policy is in place. None of the employees are restricted from access to the Audit Committee.

D	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements	<p>The Company has complied with the applicable mandatory requirements of the SEBI Listing Regulations.</p> <p>The Company has adopted the following non-mandatory requirements as specified in Part E of Schedule II of the SEBI Listing Regulations.</p> <p>a. The Company has an Executive Chairman.</p> <p>b. During the year under review, there was no audit qualification in the Auditors' Report on the Company's Financial Statement.</p> <p>c. The Chairman and Managing Director of the Company are different persons.</p> <p>d. The internal auditor is a permanent invitee to the Audit Committee and regularly attends the meetings of the Audit Committee.</p>										
E	Web link where policy for determining 'material' subsidiaries is disclosed	<a href="https://www.finolexpipes.com/site/assets/files/147251/policy_on_material_subsidary-1.pdf">https://www.finolexpipes.com/site/assets/files/147251/policy_on_material_subsidary-1.pdf</a>										
F	Web link where policy on dealing with related party transactions is disclosed	<a href="https://www.finolexpipes.com/site/assets/files/147246/related_party_transactions_policy.pdf">https://www.finolexpipes.com/site/assets/files/147246/related_party_transactions_policy.pdf</a>										
G	Disclosure of commodity price risks and commodity hedging activities	The details are included in this report under point no. 9 under the heading 'Other Disclosure'.										
H	Details of utilization of funds raised through preferential allotment or qualified institutions placement.	The Company has not raised any funds through preferential allotment or qualified institutions placement during 2024-25.										
I	Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	A certificate from a Company Secretary in Practice vide dated August 2, 2025 is enclosed with this report.										
J	Where the Board had not accepted any recommendation of any committee of the Board which is mandatory required, in the relevant financial year.	There are no such instances where the Board had not accepted any recommendation of any committee of the Board during the financial year 2024-25.										
K	Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	The Company does not have any subsidiary company. Total fees for all services paid to the statutory auditors are given in note no. 32 of notes to accounts under heading Auditors' Remuneration.										
L	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.	<table><tr><th colspan="2">Details of complaints during the year 2024-25:</th></tr><tr><th>Particulars</th><th>Number of Complaints</th></tr><tr><td>Number of complaints filed during the financial year</td><td>Nil</td></tr><tr><td>Number of complaints disposed of during the financial year</td><td>Nil</td></tr><tr><td>Number of complaints pending as on end of the financial year</td><td>Nil</td></tr></table>	Details of complaints during the year 2024-25:		Particulars	Number of Complaints	Number of complaints filed during the financial year	Nil	Number of complaints disposed of during the financial year	Nil	Number of complaints pending as on end of the financial year	Nil
Details of complaints during the year 2024-25:												
Particulars	Number of Complaints											
Number of complaints filed during the financial year	Nil											
Number of complaints disposed of during the financial year	Nil											
Number of complaints pending as on end of the financial year	Nil											
M	Disclosure by Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'.	The Company has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested.										
N	Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.]	No Material Subsidiaries										

## 2. Disclosures with respect to demat suspense account/ unclaimed suspense account

The disclosure under Schedule V (F) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Sr. No.	Particulars	Details (in Numbers)
i.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	6,373 Shareholders representing 40,50,310 Shares of ₹2/- each
ii.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	311 Shareholders
iii.	Number of shareholders to whom shares were transferred from suspense account during the year	311 Shareholders representing 2,37,930 Shares of ₹2/- each
iv.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	6,062 Shareholders representing 38,12,380 Shares of ₹2/- each

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

## 3. Related Party Disclosures

In terms of Para A of Schedule V to the SEBI Listing Regulations, the Related Party Disclosure is given in note no. 37 of notes to accounts.

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interest of the Company. The Company does not have any subsidiary but has associate companies. Transactions with related parties entered into by the Company are in the normal course of business and at an arm's length basis. The details of the transactions are periodically placed before the Audit Committee for review and approval. Members may refer to the notes to the accounts for details of related party transactions.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and Listing Regulations.

The Company's Policy on Related Party Transactions is available on the website of the Company at [https://www.finolexpipes.com/site/assets/files/147246/related\\_party\\_transactions\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/147246/related_party_transactions_policy.pdf)

## 4. Dividend Distribution Policy

As per Regulation 43A of the SEBI Listing Regulations, the Company has formulated a Dividend Distribution Policy which has been uploaded on the Company's website [https://www.finolexpipes.com/site/assets/files/147254/dividend\\_distribution\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/147254/dividend_distribution_policy.pdf)

## 5. Accounting Treatment

The Company has complied with all applicable Accounting Standards in the preparation of financial statements pursuant to Schedule III of the Companies Act, 2013. There are no audit qualifications in the Company's financial statements for the year under review.

## 6. Compliance with Regulations of capital market

The Company has complied with the requirements of the regulatory authorities governing capital markets, except as stated in Paragraph B under 'Other Disclosures'.

## 7. Whistle Blower Policy

In line with the best Corporate Governance practices, the Company has put in place a system through which Directors and employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics without fear of reprisal. The Company has put in place a process by which employees have direct access to the Audit Committee Chairperson.



The Whistle-blower Policy has been displayed on the Company's notice board and is also uploaded on the Company's website [https://www.finolexpipes.com/site/assets/files/147243/whistle\\_blower\\_policy.pdf](https://www.finolexpipes.com/site/assets/files/147243/whistle_blower_policy.pdf)

## 8. Managing Director and Chief Financial Officer's Certificate

The Managing Director and Chief Financial Officer have furnished a compliance certificate to the Board of Directors under Regulation 17(8) of the SEBI Listing Regulations.

## 9. Disclosure of commodity price risks and commodity hedging activities

For the PVC Pipes and PVC industry, the prices and costs are linked to and are dependent on:

- Same underlying commodity (crude oil) and
- Demand supply for each component in the value chain.

Due to strong interdependence, any major change in the price of one input or output, affects the price of the rest of the components in the value chain, albeit with a short time lag. Due to this, margins are only temporarily affected whether positively or negatively, until the price reaches an equilibrium. Generally, over a period of time, the impact of this price movement gets compensated, and results in normal margins. The commodity price movements are a temporary risk which can result in margin risk but do not pose a material risk to financial health of the Company. Hence, Company does not resort to any commodity hedging. Further, though hedges are available and actively traded for underlying commodity (crude oil) but the price of all inputs are not linearly related to price of crude and hedges on all inputs are not easily available.

Exposure of the Company to commodity and commodity risks faced by the Company throughout the year:

- Total exposure of the Company to commodities and intermediates : ₹2,251 Crore
- Exposure of the Company to major commodities and intermediates:

Commodity Name / Intermediate Name	Exposure towards the particular commodity (Quantity in MTs)	Exposure towards the particular commodity (₹ in Crores)	% of such exposure hedged through commodity derivatives			
			Domestic market		International market	
			OTC	Exchange	OTC	Exchange
CPVC Pipe Compound	18,625	398	NIL	NIL	NIL	NIL
S-PVC Pipe Resin	49,048	398	NIL	NIL	NIL	NIL
VCM	64,621	346	NIL	NIL	NIL	NIL
EDC	1,27,053	335	NIL	NIL	NIL	NIL
Ethylene	36,576	315	NIL	NIL	NIL	NIL
SPVC Fitting Resin	27,202	212	NIL	NIL	NIL	NIL
Coal	1,70,700	110	NIL	NIL	NIL	NIL
CPVC Fittings Compound	3,459	76	NIL	NIL	NIL	NIL
Naphtha	10,421	60	NIL	NIL	NIL	NIL
<b>Total exposure of the Company to commodities and intermediates</b>	<b>507,705</b>	<b>2,250</b>				

Commodity risks faced by the Company during the year and how they have been managed- The Company is affected by the volatility of prices of certain commodity chemicals (Ethylene and PVC) and intermediates (EDC and VCM). Its operating activities involve the ongoing purchase of Vinyl Chloride Monomer ('VCM'), Ethylene and Ethylene Dichloride ('EDC'), all being petrochemical products for manufacturing of PVC and pipes & fittings and therefore require a continuous supply of these materials. Prices of PVC manufactured by the Company are monitored by Company management and are adjusted to respond to change in import parity price of PVC in Indian market. Market price of input and output, generally get adjusted over a period of time. Accordingly, the Company is exposed to the variation in prices over short term period.

## 10. Foreign Exchange Risk and Hedging

PVC pricing is on import parity and import parity value of sales of the Company exceeds the USD payables on import on a six-monthly rolling basis due to which a natural hedge exists and hence the Company does not generally need to resort to hedging by way of forward contracts, options, etc.

## 11. Compliance or otherwise of any requirement of the Corporate Governance Report

- There are no instances of non-compliances of any requirements of Corporate Governance Report, as per sub-paras (2) to (10) of Schedule V Part C of the Listing Regulations;
- The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Listing Regulations.
- Compliance of discretionary requirements under Regulation 27 of Listing Regulations;
  - The Chairman of the Company, Mr. Prakash P. Chhabria is the Executive Chairman;
  - Financial results are published in the newspapers and also posted on Company's website/Stock Exchanges and hence not sent to shareholders;
  - Financial Statements for the financial year ended March 31, 2025, do not contain any modified audit opinion;
  - Mr. Saurabh Dhanorkar is the Company's Managing Director and not related to any Director, Key Managerial Personnel or their relatives; and
  - Internal Auditor presents quarterly Internal Audit reports to the Audit Committee.

## 12. Practicing Company Secretary's Corporate Governance Certificate

The Company has obtained a certificate from M/s. SVD & Associates, Practicing Company Secretaries, confirming compliance of the conditions of Corporate Governance as stipulated in Para E of Schedule V to the SEBI Listing Regulations, which is annexed to this Report.

## 13. Senior Management

Particulars of Senior Management including the changes therein during the Financial Year 2024-25:

Sr. No.	Name	Designation	Changes, if any
1.	Mr. Niraj Kedia	Chief Financial Officer	Resigned w.e.f June 30, 2024
2.	Mr. Chandan Verma	Chief Financial Officer	Appointed w.e.f September 30, 2024
3.	Mr. Dakshinamurthy Iyer	Company Secretary & Head Legal	Appointed w.e.f May 10, 2024
4.	Mr. Rachit Agarwal <sup>1</sup>	Joint Internal Auditor	Appointed w.e.f May 10, 2024
5.	Mr. Rambabu Sanka	President - Technical	Appointed w.e.f March 3, 2025
6.	Mr. Ashutosh Kulkarni <sup>2</sup>	Head - Supply Chain Management	-
7.	Mr. Pradeep Vedula <sup>3</sup>	Head - Sales & Marketing	-
8.	Mrs. Sarita Tripathi <sup>4</sup>	Chief Human Resource Officer	-
9.	Mr. Harish Dash	Chief Information Officer	Resigned w.e.f. February 14, 2025
10.	Mr. Swad Deshpande <sup>5</sup>	President (Procurement)	-

<sup>1</sup>Change in designation as Head - Management Audit with effect from May 23, 2025

<sup>2</sup> Ceased with effect from May 26, 2025

<sup>3</sup> Ceased with effect from July 17, 2025

<sup>4</sup> Ceased with effect from June 19, 2025

<sup>5</sup> Change in designation as President - Supply Chain Management with effect from April 1, 2025

## 14. Disclosure of certain types of agreements binding Listed Entities

There is no such agreement which is required to be disclosed under Clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 15. Code of Conduct and Ethics

The Company's Code of Conduct provides guidelines to be followed by all members of the Board of Directors and Senior Management to ensure the highest standards of professional conduct. Members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2025 on behalf of themselves and to the best of their knowledge and also on behalf of all the employees reporting to them. The said Code can be viewed on the Company's website <https://www.finolexpipes.com/investors/policies-code-of-conduct/>

A declaration signed by the Managing Director of the Company to this effect is given below:

**Declaration signed by Managing Director stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct**

As required under Regulation 34(3) read with Para D of Schedule V to the SEBI Listing Regulations, I hereby declare that the Company has adopted a Code of Conduct and Ethics for all Board Members and Senior Management of the Company, available on the Company's website.

I further declare that the Company has in respect of the financial year ended March 31, 2025, received from all the Board Members and Senior Management Personnel of the Company, an affirmation of compliance with the Code, as applicable to them.

For **Finolex Industries Limited**

Sd/-

**Saurabh Dhanorkar**

Managing Director

DIN: 00011322

**Date:** August 2, 2025

**Place:** Pune

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE**

**To,**  
**The Members,**  
**Finolex Industries Limited,**

We have examined the compliance of conditions of Corporate Governance by **Finolex Industries Limited** (hereinafter referred the **Company**), for the year ended **March 31, 2025** as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Subject to our comment herein below, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

1. There has been delay in submission of disclosures of Related Party Transactions (RPT) for half year ended September 30, 2024 to the Recognized Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE) in terms of Regulation 23 (9) of SEBI LODR for which BSE and NSE levied a fine of ₹ 5,900 /- (inclusive of GST) each. The Company has duly remitted the fines on December 24, 2024 to NSE and December 26, 2024 to BSE within the prescribed time as stipulated by the respective exchanges.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SVD & Associates**  
**Company Secretaries**

Sd/-  
**Sridhar Mudaliar**  
**Partner**

FCS No: 6156  
CP No: 2664

Unique Code of the Firm: P2013MH031900  
Peer Review No: 6357/2025  
UDIN: F006156G000909621

**Place:** Pune  
**Date:** August 2, 2025

**Note:** We have relied on the documents and evidence provided by electronic mode, for the purpose of issuing this certificate.



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

**To,**  
**The Members,**  
**Finolex Industries Limited,**  
 Gat No. 399, Village Urse, Taluka Maval,  
 District Pune – 410506.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Finolex Industries Limited (hereinafter referred to as the Company), bearing CIN: L40108PN1981PLC024153 and having registered office at Gat No.399, Village Urse, Taluka Maval, District Pune - 410506, produced before us by the Company through an e-mail for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number [DIN] status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Company(ies) by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Original date of appointment
1	Mr. Prakash P. Chhabria	00016017	13-03-1992
2	Mrs. Ritu Prakash Chhabria	00062144	21-03-2015
3	Mrs. Kanchan Chitale	00007267	01-04-2019
4	\$ Mr. Pradeep Rathi	00018577	20-09-2019
5	\$ Mr. Anami Roy	01361110	20-09-2019
6	\$ Mr. Deepak Parikh	06504537	20-09-2019
7	\$ Ms. Bhumika Batra	03502004	20-09-2019
8	^ Mr. Munesh Khanna	00202521	19-09-2024
9	^ Mr. Aditya Sapru	00501437	19-09-2024
10	^ Mr. Vijay Bhatt	00751001	19-09-2024
11	^ Mr. Rajesh Rathi	00018628	19-09-2024
12	^ Mr. Debabrata Sarkar	02502618	19-09-2024
13	# Mr. Pradeep Udhas	02207112	30-09-2024
14	* Mr. Saurabh Dhanorkar	00011322	11-08-2017
15	* Mr. Ajit Venkataraman	07289950	01-06-2023
16	Mr. Saumya Chakrabarti	09594036	01-06-2022

**Note:**

\$ Mr. Pradeep Rathi DIN: 00018577, Mr. Anami Roy DIN: 01361110, Mr. Deepak Parikh DIN: 06504537 & Ms. Bhumika Batra DIN: 03502004, have ceased to be Non-Executive Independent Directors of the Company w.e.f. September 20, 2024

^ Mr. Munesh Khanna DIN: 00202521, Mr. Aditya Sapru DIN: 00501437, Mr. Vijay Bhatt DIN: 00751001, Mr. Rajesh Rathi DIN: 00018628 and Mr. Debabrata Sarkar DIN: 02502618 were appointed as Additional, Non-Executive, Independent Directors of the Company by the Board of Directors in its meeting held on September 19, 2024 and regularized via Postal Ballot held on December 14, 2024.

# Mr. Pradeep Udhas DIN: 02207112 was appointed as Additional, Non-Executive, Independent Director of the Company by the Board of Directors in its meeting held on September 30, 2024 and regularized via Postal Ballot held on December 14, 2024.

\* Mr. Ajit Venkataraman DIN: 07289950 ceased to be Managing Director of the Company w.e.f. November 20, 2024 and Mr. Saurabh Dhanorkar DIN: 00011322, was appointed as the Managing Director of the Company, w.e.f. November 21, 2024 which was approved by the shareholders vide Postal Ballot held on December 14, 2024.

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

**For SVD & Associates  
Company Secretaries**

Sd/-

**Sridhar Mudaliar  
Partner**

FCS No: 6156

CP No: 2664

Unique Code of the Firm: P2013MH031900

Peer Review No: 6357/2025

UDIN: F006156G000909542

Place: Pune

Date: August 2, 2025

**Note:** We have relied on the documents and evidence provided by electronic mode, for the purpose of issuing this certificate.

# INDEPENDENT AUDITOR’S REPORT

**To the Members of Finolex Industries Limited**  
**Report on the Audit of the Standalone Financial Statements**

**Opinion**

- 1. We have audited the accompanying standalone financial statements of Finolex Industries Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
- 2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor as referred to in paragraph 15 below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

- 3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the 'ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditor, in terms of their report referred to in paragraph 15 of the Other Matter section below is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matter**

- 4. Key audit matters are those matters that, in our professional judgment, and based on the consideration of the report of the other auditor as referred to in paragraph 15 below, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- 5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of inventories</b>  At the balance sheet date 31 March 2025, the Company held inventories comprising of raw materials and components, finished goods, work-in-progress aggregating to ₹ 782.42 Crore as disclosed in note 8 to the accompanying standalone financial statements of the Company. Such inventories are carried at cost or net realisable value, whichever is lower, as per the accounting policy disclosed in note 2.7 to the aforesaid standalone financial statements.	<b>Our audit procedures related to valuation of inventory included, but were not limited, to the following:</b> <ul style="list-style-type: none"><li>• Assessed the appropriateness of the Company's accounting policy and valuation method of inventory in accordance with Ind AS 2.</li><li>• Evaluated the design and tested the operating effectiveness of key controls (including IT automated controls) around purchase of inventory, valuation of inventory, computation of overhead, and determination of net realisable value of inventory items.</li><li>• Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business.</li></ul>

Key audit matter	How our audit addressed the key audit matter
<p>Cost of inventory comprises of cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.</p> <p>Determination of cost of conversion includes costs directly related to production of units and also includes a systematic allocation of various fixed and variable production overheads to convert raw material into finished goods. Fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities and variable production overheads are allocated to each unit of production based on the actual use of the production facilities, in accordance with the principles of Ind AS 2, Inventories ('Ind AS 2'), which involves management judgement and estimation.</p> <p>Further, at the end of each reporting period, the management of the Company also assesses whether the carrying value of inventory is in excess of amounts expected to be realised from their sale or use and in such cases, inventories are written down to their net realisable value in accordance with Ind AS 2.</p> <p>Considering the abovementioned complexities and materiality of amounts and management judgement involved, valuation of inventory matter is considered to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>Understood and assessed the management process of determining overhead absorption rates applied by verifying the appropriateness of underlying variables used such as cost data, normal production capacity, actual production data, bill of materials and stage of production.</li> <li>Verified the expenses considered as cost of conversion including estimates for apportionment of such conversion cost to different classes of finished goods and work in progress and ensured arithmetical accuracy of such workings.</li> <li>Performed substantive testing for samples of raw materials purchase transactions recorded during the year, and purchase transactions recorded before and after the year end, to ensure such purchases are booked accurately and in the correct period, by verifying the underlying documents for such selected samples, which included contracts, purchase orders, invoices, shipping documents such as lorry receipts, etc.</li> <li>Obtained understanding of management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied. Tested ageing of inventory items obtained through system reports, as applicable.</li> <li>Recomputed the net realisable value of the finished goods on a sample basis and ensured the inventory is carried at lower of cost or net realizable value as per Ind AS 2.</li> <li>Performed analytical procedures on current year cost of goods sold based on product-wise gross profit margin analysis, and where appropriate, conducted further enquiries and testing.</li> <li>Assessed that the disclosures made in the accompanying standalone financial statements is in accordance with the applicable accounting standards.</li> </ul>

### Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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.
8. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the business activities and financial statements of the Company which includes financial information of its trust to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of the Company of which we are the independent auditors. For the trust included in the standalone financial statements, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.
  13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

15. We did not audit the financial statements of the Welfare Trust included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 46.88 crores as at 31 March 2025, and the total revenues of

₹ Nil crore and net cash inflows of ₹ 0.01 crores for the year ended on that date. These financial statements have been audited by other auditor whose report has been furnished to us by the management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the Welfare Trust, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid Welfare Trust, is based solely on the report of such other auditor.

Our opinion above on the standalone financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditor.

### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, and on the consideration of the report of the other auditor as referred to in paragraph 15 above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - b) Except for the matter stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The standalone financial statements dealt with by this report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B, wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor as referred to in paragraph 15 above:
  - i. The Company, as detailed in note 38.2 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 (i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any

other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 (ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The final dividend paid by the Company during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 15 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

- vi. As stated in Note 53 to the standalone financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**UDIN:** 25058644BMODKX2791

**Place:** Mumbai

**Date:** 23 May 2025

## ANNEXURE A

**referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Finolex Industries Limited on the standalone financial statements for the year ended 31 March 2025**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3.1 to the standalone financial statements, are held in the name of the Company.
- d) The Company has adopted cost model for its property, plant and equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. Further, the Company has made investments in companies during the year, in respect of which:
  - a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
  - b) In our opinion, and according to the information and explanations given to us, the investments made are, prima facie, not prejudicial to the interest of the Company.
  - c) In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
  - d) In the absence of stipulated schedule of repayment of principal and payment of interest in respect of loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.
  - e) In respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.



- f) The Company has granted loans which are repayable on demand, as per details below:

(Amount in ₹ Crore)

Particulars	All Parties
Aggregate of loans - Repayable on demand	13.27
Percentage of loans to the total loans	100%

- iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made and loans granted by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.

- v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

- vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- vii) a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in ₹ Crore)

Name of the statute	Nature of dues	Gross amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	0.05	-	Financial year ('FY') 2015-16	The Customs Excise and Service Tax Appellate Tribunal ('CESTAT')
The Customs Act, 1962	Disputes related to exemptions, classifications and others	12.15	0.34	FY 2012-13, FY 2015-16, FY 2019-20 and FY 2024-25	CESTAT
The Central Excise Act, 1944	Disallowance of CENVAT credit	7.78	0.58	FY 2009-14 and FY 2014-15	CESTAT
The Central Excise Act, 1944	Disallowance of CENVAT credit	9.82	-	FY 2002-03	Commissioner of Central Excise
The Central Excise Act, 1944	Disallowance of CENVAT credit	14.44	2.32	FY 2008-12 and FY 2013-14	Assessing officer
Sales tax – The Maharashtra Value Added Tax Act, 2002 and The Central Sales Tax Act, 1956	Disallowance of Credit	1.33	0.06	FY 2014-15 and FY 2015-16	Joint Commissioner of State tax
The Central Goods and Services Tax Act, 2017	Disallowance of input tax credit	0.25	-	FY 2017-18	Deputy Commissioner (State)
The Central Goods and Services Tax Act, 2017	Disallowance of input tax credit	3.86	-	FY 2017-18	Joint Commissioner
The Central Goods and Services Tax Act, 2017	Disallowance of input tax credit	42.01	-	FY 2019-20, FY 2020-21 and FY 2022-23	Assessing Officer

Name of the statute	Nature of dues	Gross amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Disallowance of deduction under section 35 of the Income-tax Act, 1961	0.10	-	FY 1983-84	The High Court
The Income-tax Act, 1961	Disallowance under section 14A and section 37 of the Income-tax Act, 1961 and denial of brought forward losses	3.13	-	FY 1998-99 and FY 2015-16	The Income-tax Appellate Tribunal
The Income-tax Act, 1961	Disallowance of various expenses and deductions	10.72	-	FY 2019-20, FY 2020-21, FY 2021-22 and FY 2022-23	The Commissioner of Income-tax (Appeals)
The Income-tax Act, 1961	Disallowance under section 14A of the Income-tax Act, 1961	0.20	-	FY 2014-15	Assessing officer

- viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates.
- f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its associate companies.
- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

- xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv) a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.  
b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.  
d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**UDIN:** 25058644BMODKX2791

**Place:** Mumbai

**Date:** 23 May 2025

## ANNEXURE B

### **Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of Finolex Industries Limited (the 'Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

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

### **Auditor's Responsibilities for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

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

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements

may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**UDIN:** 25058644BMODKX2791

**Place:** Mumbai

**Date:** 23 May 2025



# STANDALONE BALANCE SHEET

as at March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Note no	March 31, 2025	March 31, 2024
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3.1	987.10	1,041.08
(b) Right-of-use assets	3.2	16.00	13.17
(c) Capital work-in-progress	3.3	73.17	18.87
(d) Intangible assets	3.4	5.30	1.12
(e) Financial assets			
i) Investments	4	2,606.98	2,550.66
ii) Loans	5	0.01	0.02
iii) Other financial assets	6	27.23	39.65
(f) Income-tax assets (net)	24	5.08	21.46
(g) Other non-current assets	7	26.62	39.42
<b>Total non-current assets</b>		<b>3,747.49</b>	<b>3,725.45</b>
<b>2 Current assets</b>			
(a) Inventories	8	782.42	728.03
(b) Financial assets			
i) Investments	9	2,144.05	1,905.15
ii) Trade receivables	10	379.25	457.63
iii) Cash and cash equivalents	11.1	44.39	2.15
iv) Bank balances other than (iii) above	11.2	80.97	29.50
v) Loans	12	13.27	16.83
vi) Other financial assets	13	0.69	1.70
(c) Other current assets	14	30.79	58.40
<b>Total current assets</b>		<b>3,475.83</b>	<b>3,199.39</b>
<b>Assets classified as held for sale</b>	3.5	-	2.88
<b>Total assets</b>		<b>7,223.32</b>	<b>6,927.72</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	15	123.67	123.67
(b) Other equity	16	5,854.69	5,414.17
<b>Total equity</b>		<b>5,978.36</b>	<b>5,537.84</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
i) Lease liabilities	17	9.50	9.54
ii) Other financial liabilities	18	0.67	0.20
(b) Provisions	19	17.12	23.30
(c) Deferred tax liabilities (net)	24	199.03	199.71
(d) Government grants	20	40.98	53.60
<b>Total non-current liabilities</b>		<b>267.30</b>	<b>286.35</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
i) Borrowings	21	221.08	381.95
ii) Lease liabilities	17	6.17	2.46
iii) Trade payables	22		
-total outstanding dues of micro enterprises and small enterprises; and		10.60	9.85
-total outstanding dues of creditors other than micro enterprises and small enterprises		433.56	278.79
iv) Other financial liabilities	18	263.78	343.69
(b) Other current liabilities	23	19.99	69.65
(c) Provisions	19	9.86	4.47
(d) Current tax liabilities (net)		-	0.05
(e) Government grants	20	12.62	12.62
<b>Total current liabilities</b>		<b>977.66</b>	<b>1,103.53</b>
<b>Total liabilities</b>		<b>1,244.96</b>	<b>1,389.88</b>
<b>Total equity and liabilities</b>		<b>7,223.32</b>	<b>6,927.72</b>

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these standalone financial statements.

As per our report of even date.

For and behalf of the Board of Directors of Finolex Industries Limited

For Walker Chandiok &amp; Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

Rajni Mundra

Partner

Membership No.: 058644

Place: Mumbai

Date: May 23, 2025

Saurabh S. Dhanorkar

Managing Director

DIN: 00011322

Dakshinamurthy Iyer

Company Secretary

Place: Mumbai

Date: May 23, 2025

Vijay Bhatt

Director

DIN: 00751001

Chandan Verma

Chief Financial Officer

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Note no	Year ended March 31, 2025	Year ended March 31, 2024
<b>INCOME</b>			
I Revenue from operations	25	4,141.97	4,317.43
II Other income	26	248.25	181.11
III Total income (I+II)		<b>4,390.22</b>	<b>4,498.54</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	27	2,621.95	2,744.92
Purchase of stock-in-trade		28.62	31.99
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	25.49	(40.00)
Employee benefits expense	29	222.28	211.39
Finance costs	30	29.64	36.45
Depreciation and amortisation expenses	31	106.71	116.02
Other expenses	32	767.83	784.28
<b>Total expenses (IV)</b>		<b>3,802.52</b>	<b>3,885.05</b>
<b>V Profit before exceptional item and tax (III-IV)</b>		<b>587.70</b>	<b>613.49</b>
VI Exceptional item	33	416.99	-
<b>VII Profit before tax (V +VI)</b>		<b>1,004.69</b>	<b>613.49</b>
<b>VIII Tax expense</b>			
Current tax	24	214.81	147.85
Tax pertaining to earlier year(s)		0.25	(0.27)
Deferred tax charge	24	11.77	10.61
<b>Total tax expense</b>		<b>226.83</b>	<b>158.19</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>777.86</b>	<b>455.30</b>
<b>X Other comprehensive Income (OCI)</b>			
<b>A Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefit plans		(0.70)	(3.24)
Income-tax effect on above	24	0.18	0.81
<b>A(i) Re-measurement of defined benefit plans, net of income-tax</b>		<b>(0.52)</b>	<b>(2.43)</b>
Fair value changes in equity instruments through OCI		(194.49)	418.07
Income-tax effect on above	24	12.27	(65.25)
<b>A(ii) (Loss) / gain on equity instruments measured at fair value through OCI, net of income-tax</b>		<b>(182.22)</b>	<b>352.82</b>
<b>Total other comprehensive (loss)/income [A(i)+A(ii)]</b>		<b>(182.74)</b>	<b>350.39</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>595.12</b>	<b>805.69</b>
<b>XII Earnings per equity share having nominal value of ₹ 2 each per share</b>	34		
Basic (₹)		12.58	7.36
Diluted (₹)		12.58	7.36

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these standalone financial statements.

As per our report of even date.

For and behalf of the Board of Directors of Finolex Industries Limited

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Rajni Mundra**  
Partner  
Membership No.: 058644

**Place:** Mumbai  
**Date:** May 23, 2025

**Saurabh S. Dhanorkar**  
Managing Director  
DIN: 00011322

**Dakshinamurthy Iyer**  
Company Secretary

**Place:** Mumbai  
**Date:** May 23, 2025

**Vijay Bhatt**  
Director  
DIN: 00751001

**Chandan Verma**  
Chief Financial Officer

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>I Cash flows from operating activities</b>		
Profit before tax	1,004.69	613.49
<b>Adjustments for</b>		
Exceptional item	(416.99)	-
Depreciation and amortisation expenses	106.71	116.02
Liabilities written back (net)	(0.22)	(1.91)
Net gain on sale of current investments (mutual funds) classified as FVTPL	(85.14)	(61.75)
Net gains on fair value changes on investment classified as FVTPL	(62.11)	(56.78)
Loss on disposal of property, plant and equipment (net)	0.34	0.52
Dividend income	(19.39)	(16.72)
Unwinding of government grant income	(12.61)	(12.62)
Interest income	(78.61)	(33.05)
Unrealised exchange fluctuation (gain)/loss (net)	(6.50)	2.05
Finance costs	29.64	36.45
<b>Operating profit before working capital changes</b>	<b>459.81</b>	<b>585.70</b>
<b>Changes in operating assets and liabilities</b>		
Inventories	(54.39)	(54.88)
Trade receivables	78.38	(160.08)
Loans	4.03	6.65
Other financial assets	4.93	0.83
Other current assets	53.33	2.10
Government grants (net)	8.49	2.38
Trade payables	158.74	0.77
Provisions	(1.49)	1.95
Other financial liabilities	(80.76)	94.34
Other current liabilities	(49.66)	18.32
<b>Cash generated from/(used in) from working capital changes</b>	<b>121.60</b>	<b>(87.62)</b>
Less - Income-tax paid	(198.73)	(144.78)
<b>Net cash generated from operating activities</b>	<b>382.68</b>	<b>353.30</b>
<b>II Cash flow from investing activities</b>		
Payment for purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(115.50)	(86.35)
Proceeds from sale of assets classified as held for sale	419.87	-
Proceeds from disposal of property, plant and equipment	0.36	0.33
Investments purchased (net)	(316.45)	(67.66)
Dividend income received	19.39	16.72
(Investments in)/ redemption of fixed deposits (net)	(48.92)	22.55
Interest income received	49.59	31.44
<b>Net cash generated/(used in) investing activities</b>	<b>8.34</b>	<b>(82.97)</b>

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>III Cash flow from financing activities</b>		
Finance costs paid	(29.78)	(34.52)
Repayment of short-term borrowings (net)	(157.61)	(146.03)
Payment of principal portion of lease liabilities	(5.33)	(2.31)
Payment of interest on lease liabilities	(1.46)	(1.13)
Dividend paid	(154.60)	(92.75)
<b>Net cash used in financing activities</b>	<b>(348.78)</b>	<b>(276.74)</b>
<b>IV Net increase / (decrease) in cash and cash equivalents at the end of the year (I+II+III)</b>	<b>42.24</b>	<b>(6.41)</b>
V Cash and cash equivalents at the beginning of the year	2.15	8.56
<b>VI Cash and cash equivalents at the end of the year (IV+V)</b>	<b>44.39</b>	<b>2.15</b>

## Components of cash and cash equivalents (refer note 11.1)

Particulars	March 31, 2025	March 31, 2024
<b>Balances with banks:</b>		
In current accounts	13.80	2.06
Deposits with original maturity of less than three months	30.51	-
Cash on hand	0.08	0.09
<b>Total</b>	<b>44.39</b>	<b>2.15</b>

## Notes:

- The above statement of cash flows has been prepared under the indirect method set out in the Indian Accounting standard (Ind AS) 7, 'Statement of Cash Flows'.
- Refer note 21 for reconciliation of cash flows from financing activities as required under Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these standalone financial statements.

As per our report of even date.

**For and behalf of the Board of Directors of Finolex Industries Limited**

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Rajni Mundra**  
Partner  
Membership No.: 058644

**Saurabh S. Dhanorkar**  
Managing Director  
DIN: 00011322

**Vijay Bhatt**  
Director  
DIN: 00751001

**Place:** Mumbai  
**Date:** May 23, 2025

**Dakshinamurthy Iyer**  
Company Secretary

**Chandan Verma**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** May 23, 2025

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## A. Equity share capital (refer note 15)

### March 31, 2025

Particulars	Opening balance as at April 1, 2024	Change during the year	Closing balance as at March 31, 2025
Issued, subscribed and fully paid equity shares of ₹ 2 each	123.67	-	123.67

### March 31, 2024

Particulars	Opening balance as at April 1, 2023	Change during the year	Closing balance as at March 31, 2024
Issued, subscribed and fully paid equity shares of ₹ 2 each	123.67	-	123.67

## B. Other equity (refer note 16)

Particulars	General reserve	Securities premium	Capital redemption reserve	Retained earnings	Equity instruments measured at fair value through other comprehensive income	Total
<b>I Balance as at April 1, 2023</b>	<b>394.50</b>	<b>151.27</b>	<b>25.18</b>	<b>2,960.47</b>	<b>1,169.81</b>	<b>4,701.23</b>
II Profit for the year	-	-	-	455.30	-	455.30
III Other comprehensive income (net of tax)	-	-	-	(2.43)	352.82	350.39
<b>IV Total comprehensive income for the year (II+III)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452.87</b>	<b>352.82</b>	<b>805.69</b>
<b>Transactions with the owners of the Company</b>						
<b>Distributions</b>						
V Dividend	-	-	-	(92.75)	-	(92.75)
<b>VI Balance as at March 31, 2024 (I+IV+V)</b>	<b>394.50</b>	<b>151.27</b>	<b>25.18</b>	<b>3,320.59</b>	<b>1,522.63</b>	<b>5,414.17</b>
VII Profit for the year	-	-	-	777.86	-	777.86
VIII Other comprehensive income (net of tax)	-	-	-	(0.52)	(182.22)	(182.74)
<b>IX Total comprehensive income for the year (VII+VIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>777.34</b>	<b>(182.22)</b>	<b>595.12</b>
<b>Transactions with the owners of the Company</b>						
<b>Distributions</b>						
X Dividend	-	-	-	(154.60)	-	(154.60)
<b>XI Balance as at March 31, 2025 (VI+IX+X)</b>	<b>394.50</b>	<b>151.27</b>	<b>25.18</b>	<b>3,943.33</b>	<b>1,340.41</b>	<b>5,854.69</b>

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these standalone financial statements.

As per our report of even date.

For and behalf of the Board of Directors of Finolex Industries Limited

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**Saurabh S. Dhanorkar**

Managing Director

DIN: 00011322

**Vijay Bhatt**

Director

DIN: 00751001

**Place:** Mumbai**Date:** May 23, 2025**Dakshinamurthy Iyer**

Company Secretary

**Chandan Verma**

Chief Financial Officer

**Place:** Mumbai**Date:** May 23, 2025



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## 1. Corporate information

Finolex Industries Limited ('FIL' or 'the Company') is a company domiciled in India and incorporated under the provisions of the erstwhile Companies Act 1956. The equity shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited. Its registered office is situated at Gat No.399, Village Urse, Taluka Maval, District Pune - 410506, Maharashtra, India.

The Company is engaged in the business of manufacturing PVC pipes and fittings and PVC resin. The Company has manufacturing facilities in the states of Maharashtra and Gujarat.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation

The standalone financial statements comprise of the standalone balance sheet as at March 31, 2025, standalone statement of profit and loss (including other comprehensive income), standalone statement of cash flows and standalone changes in equity for year ended March 31, 2025 and notes to the standalone financial statements including material accounting policy information and other explanatory information (hereinafter collectively referred to as 'standalone financial statements'). The standalone financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 (the 'Act') and the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. All amounts included in the standalone financial statements are reported in Indian Rupees ('INR') in Crore, unless otherwise stated.

The standalone financial statements were approved and were authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

### 2.2 Basis of measurement

The standalone financial statements have been prepared on going concern basis using accrual method of accounting and historical cost convention, except for:

- (i) certain financial assets and financial liabilities that are measured at fair value or amortised cost in accordance with Ind AS.
- (ii) defined benefit plans - plan assets measured at fair value.

(All amounts in ₹ Crore, unless otherwise stated)

The accounting policies have been consistently applied, unless otherwise stated.

### 2.3 Functional and presentation currency

The standalone financial statements are presented in Indian Rupees ('INR' or '₹') which is the Company's functional currency.

Amounts in the standalone financial statements are presented in ₹ in Crore rounded off to two decimal places as permitted by Schedule III to the Act, unless otherwise stated.

### 2.4 Current or non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non - current.

A liability is classified as current when it is:

- a. Expected to be settled in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## 2.5 Critical accounting judgements, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the standalone financial statements:

### Judgements

#### Government grant/ subsidy:

The Company was entitled to receive Industrial Promotion Subsidy under the Package Scheme of Incentives, for the period from April 1, 2011 to March 31, 2023. The aforesaid subsidy is in relation to investment in property, plant and equipment at Ratnagiri plant. Accordingly, the same has been classified as grant related to assets and the Company recognises the revenue from grant over the remaining useful life of the property, plant and equipment, from the date on which the Company is entitled to receive such grants.

### Estimates

#### Defined benefit plan:

The cost of defined benefit gratuity plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date.

(All amounts in ₹ Crore, unless otherwise stated)

The most sensitive parameter is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are mainly based on expected future inflation rates for the country.

#### Useful lives of property, plant and equipment and intangible assets:

The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Claims, provisions and contingent liabilities:

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the standalone financial statements.

#### Fair value measurement of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs i.e., market-observable inputs are not available, the Company engages third party valuers, where required, to perform the valuation.

#### Impairment of financial assets:

The impairment allowance for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

## Deferred tax:

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

## 2.6 Fair value measurements

The Company measures financial instruments, such as non-current and current investments, at fair value, at each balance sheet date.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted market prices, when available, are used as the measure of fair value. In cases where quoted market prices are not available, fair values are determined using present value estimates or other valuation techniques which maximise the use of relevant observable inputs and minimize the use of unobservable inputs, for example, the present value of estimated expected future cash flows using discount rates commensurate with the risks involved. Fair value estimation techniques normally incorporate assumptions that market participants would use in their estimates of values, future revenues, and future expenses, including assumptions about interest rates, default, prepayment and volatility. Because assumptions are inherently subjective in nature, the estimated fair values cannot be substantiated by comparison to independent market quotes and, in many cases, the estimated fair values would not necessarily be realised in an immediate sale or settlement of the instrument.

The financial instruments carried at fair value are categorized under the three levels of the Ind AS fair value hierarchy as follows:

**Level 1:** Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

(All amounts in ₹ Crore, unless otherwise stated)

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs). These inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available in the circumstances, which include the Company's own data. The Company's own data used to develop unobservable inputs is adjusted if information indicates that market participants would use different assumptions.

For assets and liabilities that are recognised in the standalone financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## 2.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials and traded goods      Purchase cost on a moving weighted average basis and inward transportation. Refundable indirect taxes and discounts are excluded from cost.
- Finished goods and work in progress      Cost of direct raw materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sell.

### 2.8 Property, plant and equipment ('PPE')

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work-in-progress comprises cost of property, plant and equipment that are not yet installed and not ready for their intended use at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under 'Other non-current assets'.

#### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the standalone statement of profit and loss as incurred.

#### Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised on net basis within other income/ other expenses in the standalone statement of profit and loss.

#### Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

(All amounts in ₹ Crore, unless otherwise stated)

Depreciation is recognised in the standalone statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Act or technical evaluation, which are as follows:

Asset	Useful life (in years)
Plant and equipment (including moulds and dies)	3 to 25
Buildings	5 to 60
Factory building	30
Furniture and fixtures	10
Office equipment	5
Vehicles	8 to 13

In the case of Captive Power Plant, the management, based on a technical evaluation, has estimated the life of asset to be 25 years which is lower than the life prescribed in Schedule II. Also, in case of moulds and water works, management has estimated a lower life than prescribed in Schedule – II based on technical evaluation.

The management undertakes a review of the residual values, useful lives and methods of depreciation of property, plant and equipment at the end of each reporting period and any adjustments to useful lives is accounted for prospectively as a change in accounting estimate.

### 2.9 Intangible assets and amortisation

#### Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

#### Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

#### Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

Intangible assets developed or acquired with finite useful life are amortized on straight line basis over the useful life as specified below:

Asset	Useful life (in years)
Computer Software and Licenses	3 to 6

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

## 2.10 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer based on delivery terms i.e. when the customer is able to direct the use of the transferred goods or rendering of services and obtains substantially all of the remaining benefits at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. A receivable is recognised by the Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. No significant element of financing is deemed present as the sales are made with a credit period not exceeding 60 days. The management has ascertained that the credit period is as per normal industry practices and is not intended to finance the customers.

The specific recognition criteria described below must also be met before revenue is recognised:

### Sale of goods

Revenue from sale of goods is recognised when the significant control of the goods have passed to the buyer, usually when goods are dispatched or on delivery, as per the terms of sale. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

(All amounts in ₹ Crore, unless otherwise stated)

### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss.

The Company presents interest income on financial assets at fair value through profit or Loss separately from fair value changes on such financials assets.

### Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is in the year when shareholders approve the dividend.

## 2.11 Foreign currency transactions:

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

### Transactions and balances

Transactions in foreign currencies are recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 2.12 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an item of expense, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

## 2.13 Taxes

Tax comprises current and deferred tax. Income-tax expense is recognised in the standalone statement of profit and loss except to the extent it relates to items directly recognised in equity or in OCI. The income-tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income-tax rate under the Income-tax Act, 1961 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. In which case, the tax is also recognised in other comprehensive income or equity.

### Current income-tax

Current income-tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.14 Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

A lessee is required to recognise assets and liabilities for all leases with a term that is greater than twelve months, unless the underlying asset is of low value, and to recognise depreciation of leased assets separately from interest on lease liabilities in the standalone statement of profit and loss.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Initial measurement

### Right-of-use assets

At the commencement date, the Company measures the right-of-use assets at cost. The cost of the right-of-use assets comprise:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

### Lease liabilities

At the commencement date, the Company measures the lease liabilities at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

## Subsequent measurement

### Right-of-use assets

Subsequently the Company measures the right-of-use assets at cost less any accumulated depreciation and any accumulated impairment losses.

### Lease liabilities

Subsequently the Company measures the lease liabilities by:

- increasing the carrying amount to reflect interest on the lease liability at the interest rate implicit in the lease, if that rate can be readily determined or the Company's incremental borrowing rate.
- reducing the carrying amount to reflect the lease payments made; and
- re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liabilities and right-of-use assets have been separately presented in the standalone balance sheet and lease payments have been classified as financing cash flows.

## 2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 2.15.1 Financial assets

#### Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not classified as fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are recognised in the standalone balance sheet when the Company becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognised using trade date or settlement date accounting.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- At amortised cost
- At fair value through other comprehensive income ('FVOCI')
- At fair value through profit or loss ('FVTPL')

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

### (a) Financial assets classified as measured at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR method. The EIR amortisation is included in finance expense/ other income in the standalone statement of profit and loss. The losses arising from impairment are recognised in the standalone statement of profit and loss.

This category generally applies to trade receivables, loans, certain investments, security and other deposits, and other financial assets held by the Company.

### (b) Financial assets classified as measured at FVOCI

A financial asset shall be measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognised or reclassified, are subsequently measured at fair value with unrealised gains or losses recognised in OCI except for interest income, impairment gains or losses and foreign exchange gains and losses which are recognised in the standalone statement of profit and loss.

(All amounts in ₹ Crore, unless otherwise stated)

On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to standalone statement of profit and loss.

### (c) Financial assets classified as measured at FVTPL

A Financial asset is to be measured at FVTPL, unless it is measured at amortised cost or at FVOCI. The Company classifies all equity or puttable financial instruments held for trading as measured at FVTPL. Such instruments are measured at fair value at initial recognition as well as at each reporting date. The fair value changes are recognised in the standalone statement of profit and loss. Further, the Company may make an irrevocable election to designate a financial asset as FVTPL, at initial recognition, to reduce or eliminate a measurement or recognition inconsistency.

### De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset

### Impairment of financial assets

The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets measured at amortised cost
- Financial assets measured at FVOCI, except investments in equity instruments designated as such by the Company.
- Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## 2.15.2 Financial liabilities

### Initial recognition and measurement

Financial liabilities are recognised initially at fair value net of, in the case of financial liabilities not classified as measured at FVTPL, transaction costs that are attributable to the issue of the financial liability. Financial liabilities are recognised in the standalone balance sheet when the Company becomes a party to the contractual provisions of the instrument.

### (d) Financial liabilities classified as measured at FVTPL

Financial liabilities classified as measured at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the standalone statement of profit and loss. Financial liabilities designated as such upon initial recognition at the initial

(All amounts in ₹ Crore, unless otherwise stated)

date of recognition, if the criteria in Ind AS 109, 'Financial Instruments' are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the standalone statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liabilities are recognised in the standalone statement of profit and loss.

The Company has not designated any financial liability measured at FVTPL.

### (e) Financial liabilities classified as measured at amortised cost

This is the most relevant category to the Company. The Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the standalone statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the standalone statement of profit and loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 2.16 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

### 2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances with banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

### 2.18 Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in case:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- present obligation arising from past events, when no reliable estimate is possible; or
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions and contingent liabilities are reviewed at each standalone balance sheet date.

### 2.19 Provisions for employment benefits

#### Defined contribution plans

Under defined contribution plan, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Company has the following defined contribution plans: state governed provident fund scheme and employee state insurance scheme. The contributions paid and payable under the scheme are recognised in the period when the employee renders the related service.

#### Defined benefit plans

The employees' gratuity fund scheme managed by the Life Insurance Corporation of India is the Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation under 'employee benefit expenses' in the standalone statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

## Provision for compensated absences

Provision for short-term compensated absences is recognised for accumulated leaves that are expected to be utilised within a period of twelve months from the balance sheet date. Long term compensated absences are provided for on the basis of an actuarial valuation, using projected unit credit method, as at each reporting date.

## 2.20 Earnings per equity share

Basic earnings per equity share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as reduced by number of shares bought back, if any. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.21 Dividend to equity holders of the Company

Dividends paid (including income-tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

## 2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of

(All amounts in ₹ Crore, unless otherwise stated)

the operating segments, has been identified as the Board of Directors that makes strategic decision.

Segment accounting policies are in line with the accounting policies of the Company.

## 2.23 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

## 2.24 Recent accounting pronouncements

The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117, 'Insurance Contracts' and amendments to Ind AS 116, 'Leases', relating to sale and leaseback transactions, applicable with effect from 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its standalone financial statements.

## 2.25 New and amended standards issued but not effective

### Amendments to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates'

The amendments to Ind AS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.

The Company does not expect any material impact on the standalone financial statements.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 3.1 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
<b>Gross carrying value</b>							
<b>Balance as at April 1, 2023</b>	<b>112.43</b>	<b>287.05</b>	<b>2,152.61</b>	<b>6.46</b>	<b>11.39</b>	<b>6.25</b>	<b>2,576.19</b>
Additions during the year	5.17	13.97	97.70	0.59	0.74	1.13	119.30
Deletions/ adjustment during the year	-	-	(3.03)	(0.23)	(0.16)	(0.06)	(3.48)
Assets classified as held for sale (refer note 3.5)	-	(2.72)	(1.68)	(2.71)	-	(0.13)	(7.24)
<b>Balance as at March 31, 2024</b>	<b>117.60</b>	<b>298.30</b>	<b>2,245.60</b>	<b>4.11</b>	<b>11.97</b>	<b>7.19</b>	<b>2,684.77</b>
Additions during the year	1.23	2.67	37.35	-	0.94	2.45	44.64
Deletions/ adjustment during the year	-	-	(1.20)	(0.37)	(1.05)	-	(2.62)
<b>Balance as at March 31, 2025</b>	<b>118.83</b>	<b>300.97</b>	<b>2,281.75</b>	<b>3.74</b>	<b>11.86</b>	<b>9.64</b>	<b>2,726.79</b>
<b>Accumulated depreciation</b>							
<b>Balance as at April 1, 2023</b>	-	116.56	1,407.62	5.12	5.12	4.20	1,538.62
Depreciation for the year	-	14.28	95.80	0.29	1.00	0.90	112.27
Deletions during the year	-	-	(2.30)	(0.21)	(0.07)	(0.05)	(2.63)
Assets classified as held for sale (refer note 3.5)	-	(0.51)	(1.40)	(2.54)	-	(0.12)	(4.57)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>130.33</b>	<b>1,499.72</b>	<b>2.66</b>	<b>6.05</b>	<b>4.93</b>	<b>1,643.69</b>
Depreciation for the year	-	12.31	83.31	0.19	0.84	1.27	97.92
Deletions during the year	-	-	(0.96)	(0.27)	(0.69)	-	(1.92)
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>142.64</b>	<b>1,582.07</b>	<b>2.58</b>	<b>6.20</b>	<b>6.20</b>	<b>1,739.69</b>
<b>Net block as at March 31, 2025</b>	<b>118.83</b>	<b>158.33</b>	<b>699.68</b>	<b>1.16</b>	<b>5.66</b>	<b>3.44</b>	<b>987.10</b>
Net block as at March 31, 2024	117.60	167.97	745.88	1.45	5.92	2.26	1,041.08

#### Notes:

#### 1. Change in estimates

During the year ended 31 March 2024, consequent to the technical evaluation of the remaining useful life of the existing property, plant and equipment of the Company, in case of certain items, the management had revised its estimates of useful life and computed depreciation accordingly. However, this change did not result in any significant impact on the depreciation expense for the year ended 31 March 2024 as well as year ended 31 March 2025, and is also not expected to have any material impact in the future periods.

#### 2. Property, plant and equipment pledged as security:

There is no charge on property, plant and equipment as at March 31, 2025 and as at March 31, 2024.

#### 3. Title deeds of immovable properties not held in name of the Company:

There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deed is not held in the name of the Company.

#### 4. Benami properties:

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### 5. Capital commitments:

Refer note 38.1 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 3.2 Right-of-use asset

Particulars	Leasehold land and Buildings
<b>Gross carrying value</b>	
<b>Balance as at April 1, 2023</b>	<b>17.60</b>
Additions during the year	-
Deletions during the year	-
Assets classified as held for sale (refer note 3.5)	(0.34)
<b>Balance as at March 31, 2024</b>	<b>17.26</b>
Additions during the year	9.00
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>26.26</b>
<b>Accumulated depreciation</b>	
<b>Balance as at April 1, 2023</b>	0.79
Depreciation during the year	3.42
Deletions during the year	-
Assets classified as held for sale (refer note 3.5)	(0.13)
<b>Balance as at March 31, 2024</b>	<b>4.08</b>
Depreciation during the year	6.18
Deletions/ transfer during the year (refer note 3.5)	-
<b>Balance as at March 31, 2025</b>	<b>10.26</b>
<b>Net block as at March 31, 2025</b>	<b>16.00</b>
Net block as at March 31, 2024	13.17

Refer note 44 for disclosure on leases.

## 3.3 Capital work-in-progress

Particulars	Capital work-in-progress
<b>Balance as at April 1, 2023</b>	<b>43.82</b>
Additions during the year	10.12
Capitalised during the year	(35.07)
<b>Balance as at March 31, 2024</b>	<b>18.87</b>
Additions during the year	97.23
Capitalised during the year	(42.93)
<b>Balance as at March 31, 2025</b>	<b>73.17</b>

### Notes:

- Capital work-in-progress ('CWIP') comprises cost of property, plant and equipment that are not yet installed or ready for their intended use at the balance sheet date.
- The Company does not have any projects which are overdue or exceeded their respective cost in comparison to its original plan.
- There are no projects which have been temporarily suspended.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### CWIP ageing schedule as at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	59.00	2.97	11.20	-	73.17

### CWIP ageing schedule as at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.90	14.95	-	0.02	18.87

### 3.4 Intangible assets

Particulars	Computer softwares
<b>Gross carrying value</b>	
<b>Balance as at April 1, 2023</b>	<b>6.31</b>
Additions during the year	0.66
Deletions during the year	(0.01)
<b>Balance as at March 31, 2024</b>	<b>6.96</b>
Additions during the year	6.79
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>13.75</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 1, 2023</b>	5.52
Amortisation for the year	0.33
Deletions during the year	(0.01)
<b>Balance as at March 31, 2024</b>	<b>5.84</b>
Amortisation for the year	2.61
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>8.45</b>
<b>Net block as at March 31, 2025</b>	<b>5.30</b>
Net block as at March 31, 2024	1.12

There are no intangible assets under development as at March 31, 2025 and March 31, 2024.

### 3.5 Assets classified as held for sale

The net carrying value of assets classified as held for sale are as follows:

Particulars	31 March 2025	31 March 2024
Buildings	-	2.21
Plant and equipment	-	0.28
Furniture and fixtures	-	0.17
Office equipment	-	0.01
Leasehold land	-	0.21
<b>Total</b>	<b>-</b>	<b>2.88</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

The Company had classified leasehold rights on land, admeasuring approximately 25.27 acres situated at Chinchwad, Pune, along with structures thereon as 'assets classified as held for sale' as at March 31, 2024 and such assets had been measured at lower of their carrying value and fair value less costs to sell.

During the year, the Company consummated the transaction and has recorded net gain of ₹ 416.99 Crore on such transfer. Also refer note 33.

## 4 Investments: Non-current

Particulars	Face value* ₹	No of shares/ units as at *		Balances as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Quoted</b>					
<b>Investments in equity shares (fully paid up)</b>					
<b>Investments designated at FVOCI</b>					
Finolex Cables Limited	2	2,21,87,075	2,21,87,075	2,026.46	2,220.93
<b>Investments designated at FVTPL</b>					
GOCL Corporation Limited	2	4,950	4,950	0.14	0.22
Gulf Oil Lubricants India Limited	2	4,950	4,950	0.57	0.47
<b>Unquoted</b>					
<b>Investments designated at FVOCI</b>					
Finolex Infrastructure Private Limited	10	53,84,686	53,84,686	12.42	12.45
<b>Investments measured at cost</b>					
<b>Associate companies**</b>					
Finolex Plasson Industries Private Limited	10	46,35,000	46,35,000	7.50	7.50
Pawas Port Limited	10	49,994	49,994	0.05	0.05
<b>Investments measured at amortised cost</b>					
Hinduja Renewables One Private Limited	10	31,36,537	31,36,537	0.32	0.29
<b>Investments in Fixed Deposits measured at cost(Unquoted)</b>					
Bajaj Finance Limited	-	-	-	393.52	64.12
<b>Investments in bonds measured at amortised cost (Quoted)</b>					
<b>Perpetual bonds</b>					
8.25% Bank of Baroda PerpetualBond	10,00,000	200	200	21.17	21.17
7.74% SBI Perpetual Bond	10,00,000	200	200	20.90	20.98
8.75% SBI Perpetual Bond	10,00,000	-	100	-	10.57
8.99% Bank of Baroda Perpetual Bond	10,00,000	-	550	-	56.54
8.50% SBI Perpetual Bond	10,00,000	-	250	-	25.87



## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Face value* ₹	No of shares/ units as at *		Balances as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Secured non-convertible debentures					
7.91% Tata Capital Financial Services Limited	1,00,000	1500	1,500	15.74	15.70
Unsecured non-convertible debentures					
8.90% Aditya Birla Finance Limited	10,00,000	35	-	3.68	-
8.95% Aditya Birla Finance Limited	10,00,000	15	-	1.60	-
8.33% Aditya Birla Finance Limited	10,00,000	5,000	-	50.21	-
8.33% HDB Financial Services Limited	10,00,000	5,000	-	52.70	-
7.99% State Bank of India	10,00,000	-	300	-	31.73
Zero Coupon Bonds					
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	-	200	-	22.39
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	-	350	-	39.68
Total				2,606.98	2,550.66

\*Number of shares/bonds and face value are in full figures

\*\*The Company measures its investments in associates at cost, as per option provided by Ind AS 27 "Separate Financial Statements". The Company holds 46.35% and 49.99% of shareholding of Finolex Plasson Industries Private Limited and Pawas Port Limited, respectively. The principal place of business of both the associate companies is India.

##The Zero Coupon Bonds are with different maturity dates.

Particulars	31 March 2025	31 March 2024
Aggregate cost of quoted investments	264.75	344.48
Aggregate value of unquoted investments	413.81	84.41
Aggregate market value of quoted investments	2,193.17	2,466.26
Aggregate amount of impairment	-	-

### Fair value disclosures

Fair value disclosures for financial assets and liabilities are stated in note 39 and fair value hierarchy disclosures for investment are stated in note 39.

### Risk management strategy

Refer note 40 on financial risk management objectives and policies for financial instruments.

## 5 Non-current loans

Particulars]	March 31, 2025	March 31, 2024
Unsecured, considered good		
Loans to employees	0.01	0.02
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 (March 31, 2024: Nil).

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

There are no loans due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

The Company has not granted any loans to promoters, directors, key managerial personnel and the related parties (as defined under the Act), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

## 6 Other non-current financial assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Claims receivable (refer note 20)	17.95	26.45
Security deposits	9.28	13.20
<b>Total</b>	<b>27.23</b>	<b>39.65</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy

## 7 Other non-current assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Capital advances	16.27	3.35
<b>Advances other than capital advances:</b>		
Prepaid expenses	3.36	4.09
Balances with government authorities	6.99	31.98
<b>Total</b>	<b>26.62</b>	<b>39.42</b>

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

## 8 Inventories

Particulars	March 31, 2025	March 31, 2024
Raw materials (refer note a below)	400.18	317.38
Work-in-progress	90.89	64.19
Finished goods (refer note b below)	209.19	267.75
Stock-in-trade	11.20	4.83
Stores and spares	64.86	66.96
Packing material	6.10	6.92
<b>Total</b>	<b>782.42</b>	<b>728.03</b>

- a) Raw materials include goods in transit of ₹ 44.65 Crore (March 31, 2024: ₹ 9.75 Crore).
- b) Write-down of inventories to net realisable value (net of reversal) amounts to ₹ 0.28 Crore (March 31, 2024 ₹ 0.33 Crore).
- c) There is no hypothecation on inventories.
- d) Refer note 2.7 for basis of valuation of inventories.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 9 Investments: Current

Particulars	Face value* ₹	No. of units as at*		Balance as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment in mutual fund classified as FVTPL (Quoted)					
Axis Treasury Advantage Fund -Direct Growth	1,000	-	2,60,340	-	76.50
Axis Money Market Fund -Direct Growth	1,000	49,844	-	7.06	-
Axis Banking PSU Debt Fund -Direct Growth	10	1,59,472	-	42.38	
Axis Corporate Debt Fund -Direct Growth	10	7,04,08,054	4,75,91,648	124.11	76.97
DSP Low Duration Fund -Direct Growth	1,000	-	7,32,10,446	-	136.24
ICICI Prudential Short Term fund -Direct Growth	100	51,76,590	-	33.16	-
ICICI Prudential Corporate Bond Fund -Direct Growth	10	2,68,44,847	1,82,12,074	82.02	51.26
ICICI Prudential Nifty PSE Bond Plus SDL Maturity 60:: 40 Index Fund -Direct Growth	10	9,48,31,873	9,94,60,957	115.35	111.64
ICICI Prudential Equity Arbitrage Fund -Direct Growth	10	-	1,48,40,037	-	49.69
Bandhan Money Market Fund -Direct Growth	10	-	1,38,30,530	-	54.85
Nippon India Floating Rate Fund -Direct Growth	10	-	94,08,965	-	40.19
Nippon India Arbitrage Fund -Direct Growth	10	-	2,01,80,283	-	52.74
Nippon India Ultra Short Duration Fund -Direct Growth	10	71,787	-	31.26	-
Nippon India Nifty AAA CPSE Bond Plus SDL Maturity 60:: 40 Index Fund -Direct Growth	10	5,70,20,207	5,70,20,207	68.14	63.04
Nippon India Corporate Bond Fund -Direct Growth	10	82,83,351	63,89,702	50.91	36.04
Nippon India Gilt security Fund -Direct Growth	10	1,48,98,545		63.24	
Nippon India Money Market Fund -Direct Growth	1,000	-	92,893	-	35.50
SBI CPSE Bond Plus SDL 50:50 Index Fund -Direct Growth	10	6,83,18,591	8,80,58,640	82.32	98.34
SBI Banking & PSU fund -Direct Growth	10	4,07,368	-	131.85	-
SBI Magnum Gilt fund -Direct Growth	10	2,66,19,476	-	183.95	-
Kotak Corporate Bond Fund -Direct Growth	10	89,838	89,838	34.57	31.76
Kotak Equity Arbitrage -Direct Growth	10	50,93,288	1,44,56,510	20.04	52.60
Kotak Low Duration Fund -Direct Growth	1,000	-	1,19,518	-	39.40
Kotak Nifty SDL Top 12 Equal Weight Index Fund -Direct Growth	10	6,55,27,599	6,55,27,599	78.90	72.77
Kotak Banking and PSU debt fund -Direct Growth	1,000	76,94,948		51.24	
Tata Money Market Fund -Direct Growth	1,000	-	2,63,503	-	115.02
Tata Ultra Short Term Fund -Direct Growth	10	-	89,41,098	-	12.10
Tata Corporate bond Fund -Direct Growth	10	8,70,78,862	30,53,749	107.65	4.19

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Face value* ₹	No. of units as at*		Balance as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Aditya Birla Sun Life Money Manager -Direct Growth	100	-	23,91,558	-	81.50
Aditya Birla Sun Life Banking & PSU Debt Fund -Direct Growth	100	11,85,470	-	44.12	-
Aditya Birla Sun Life Low Duration Fund -Direct Growth	100	-	5,42,635	-	35.77
Aditya Birla Sun Life Corporate Bond Fund -Direct Growth	10	14,53,552	16,24,820	16.35	16.78
Aditya Birla Sun Life Nifty SDL Plus Psu Bond 60:40Index Direct Fund -Direct Growth	10	5,08,53,684	5,08,53,684	61.76	57.20
Aditya Birla Sun Life government securities fund-Direct Growth	10	99,84,499	-	86.33	-
HDFC Low Duration Fund -Direct Growth	10	-	1,16,85,180	-	66.24
Mirae Asset Money Market Fund -Direct Growth	10	9,190	-	1.15	-
Mirae Asset Low duration Fund-Direct Growth	10	58,803	-	14.15	-
HDFC Corporate bond fund - Direct plan -Direct Growth	1,000	3,40,92,747	-	110.94	-
HDFC Gilt fund s- -Direct Growth	1,000	1,76,86,453	-	101.63	-
HSBC CRISIL IBX 50.50 Gilt Plus SDL Index Fund -Direct Growth	1,000	7,48,55,836	7,48,55,836	91.22	84.01
HSBC Ultra Short Duration Fund -Direct Growth	1,000	-	4,40,713	-	55.11
HSBC Corporate Bond fund -Direct Growth	10	86,79,240	-	65.95	-
UTI Banking & PSU Fund -Direct Growth	10	27,58,620	27,58,620	6.01	5.56
UTI Liquid Fund -Direct Growth	1,000	4,465	3,715	1.90	1.47
<b>Investment in fixed deposits classified at cost (Unquoted)</b>					
Bajaj Finance Limited		-	-	-	116.39
<b>Investment in Commercial Papers classified at cost (Quoted)</b>					
Aditya Birla Finance Limited	5,00,000	-	1,000	-	48.19
<b>Investments measured at amortised cost - Bonds (Quoted)</b>					
5.83% SBI Tier 2	10,00,000	1,250	-	126.44	-
6.24% SBI Bond	10,00,000	400	-	40.96	-
8.05% HDB Financial Services Limited	10,00,000	-	200	-	20.97
6.30% HDB Financial Services Limited	10,00,000	-	400	-	39.45
5.65% Bajaj Finance	10,00,000	-	250	-	26.20
6.70% Tata Capital Limited	10,00,000	-	400	-	39.47
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	350	-	42.83	-
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	350	-	24.16	-
				<b>2,144.05</b>	<b>1,905.15</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Aggregate cost of quoted investments	223.92	1,688.08
Aggregate market value of quoted investments	2,144.05	1,788.76
Aggregate value of unquoted investments	-	116.39
Aggregate amount of impairment	-	-

\* Number of units and face value are in full figures

##The Zero Coupon Bonds are with different maturity dates.

### Fair value disclosures

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are stated in note 39.

### Risk management strategy

Refer note 40 on financial risk management objectives and policies for financial instruments.

## 10 Trade receivables

Particulars	March 31, 2025	March 31, 2024
Secured, considered good	1.40	1.40
Unsecured, considered good	377.85	456.23
<b>Total</b>	<b>379.25</b>	<b>457.63</b>

### Trade receivables ageing schedule as at March 31, 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	363.23	13.52	1.01	0.09	-	-	377.85
Disputed, considered good	-	-	-	-	-	1.40	1.40
	<b>363.23</b>	<b>13.52</b>	<b>1.01</b>	<b>0.09</b>	<b>-</b>	<b>1.40</b>	<b>379.25</b>

### Trade receivables ageing schedule as at March 31, 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	451.17	5.04	0.02	-	-	-	456.23
Disputed, considered good	-	-	-	-	-	1.40	1.40
	<b>451.17</b>	<b>5.04</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>1.40</b>	<b>457.63</b>

There are no trade receivables having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 and March 31, 2024.

There are no dues from private companies in which director of the Company, is a director or a member.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

Refer note 40 for credit risk of trade receivables.



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

The Company's trade receivables consist of receivables from dealers and customers against sales of pipes and fittings and PVC resin. Trade receivables are mostly on terms of advance payment and in certain cases credit period is generally up to 60 days. The Company also charges interest @ 18% per annum (p.a.) in case of delay in collection of trade receivables.

The trade receivables are free from hypothecation.

There are no unbilled receivables as at March 31, 2025 and as at March 31, 2024.

## 11.1 Cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
<b>Balances with banks:</b>		
In current accounts	13.80	2.06
Deposits with original maturity of less than three months	30.51	-
Cash on hand	0.08	0.09
<b>Total</b>	<b>44.39</b>	<b>2.15</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the reporting date.

## 11.2 Bank balances other than cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
Unpaid dividend accounts*	28.42	29.24
Deposits with original maturity more than 3 months but less than 12 months	52.55	0.26
<b>Total</b>	<b>80.97</b>	<b>29.50</b>

\*Not due for deposit in Investor Education and Protection Fund.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy

## 12 Current loans

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Loans to employees	0.19	0.31
Loans to vendors	13.08	16.52
<b>Total</b>	<b>13.27</b>	<b>16.83</b>

There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 and March 31, 2024.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

There are no loans due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

The Company has not granted any loans to promoters, directors, key managerial personnel and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### Disclosure pursuant to section 186(4) of the Act

The Company has granted unsecured loans to unrelated parties, towards expansion of their production capacity. These loans are repayable on demand. Further, no loans have been granted during the year. The outstanding balance as at March 31, 2025 is ₹ 13.08 Crore (March 31, 2024 ₹ 16.52 Crore).

### 13 Other current financial assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Security deposits	0.54	0.49
Other receivables	0.15	1.21
<b>Total</b>	<b>0.69</b>	<b>1.70</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy

### 14 Other current assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Advances to vendors	19.60	35.75
Prepaid expenses	7.69	19.15
Balance with government authorities	3.50	3.50
<b>Total</b>	<b>30.79</b>	<b>58.40</b>

There are no advances to directors or other officers of the Company or any of them, either severally or jointly with any other persons, or advances to firms or private companies respectively in which any director is a partner or a director or a member.

### 15 Equity share capital

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised equity share capital</b>				
Equity shares of ₹ 2 each	75,00,00,000	150.00	75,00,00,000	150.00
Unclassified share capital (shares of ₹ 10 each)	8,50,00,000	85.00	8,50,00,000	85.00
<b>Total authorised share capital</b>	<b>83,50,00,000</b>	<b>235.00</b>	<b>83,50,00,000</b>	<b>235.00</b>
<b>Issued, subscribed and fully paid up equity share capital of face value of ₹ 2 each</b>	<b>61,83,13,905</b>	<b>123.67</b>	<b>61,83,13,905</b>	<b>123.67</b>

#### Reconciliation of number of equity shares and amount outstanding:

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
<b>Shares outstanding at the beginning of the year</b>	<b>61,83,13,905</b>	<b>123.67</b>	<b>61,83,13,905</b>	<b>123.67</b>
Change during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>61,83,13,905</b>	<b>123.67</b>	<b>61,83,13,905</b>	<b>123.67</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Number of shares held by each shareholder holding more than 5 percent of the equity shares of the Company are as follows:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%

**Number of shares held by the promoters at the reporting dates and % change during the year ended March 31, 2025 are as follows:**

Name of the promoter	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%	-
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%	-
Vijay Kishandas Chhabria	21,51,420	0.35%	21,51,420	0.35%	-
Katara Aruna Mukesh	12,88,895	0.21%	12,88,895	0.21%	-
Katara Dental Private Limited	10,69,750	0.17%	10,69,750	0.17%	-
Prakash Pralhad Chhabria	8,53,745	0.14%	8,53,745	0.14%	-
Kavita Sanjay Raheja	4,64,395	0.07%	4,64,395	0.07%	-
Deepak Kishan Chhabria	4,04,605	0.07%	4,04,605	0.07%	-
Gayatri Prakash Chhabria	3,74,125	0.06%	3,74,125	0.06%	-
Hansika Hiya Prakash Chhabria	3,34,875	0.05%	3,34,875	0.05%	-
Priya Vijay Chhabria	3,01,000	0.05%	3,01,000	0.05%	-
Katara Amrita Mukesh	2,10,375	0.03%	2,10,375	0.03%	-
Katara Amit Mukesh	2,03,160	0.03%	2,03,160	0.03%	-
Vini Deepak Chhabria	1,32,000	0.02%	1,32,000	0.02%	-
Katara Mukesh Dolumal	1,15,150	0.02%	1,15,150	0.02%	-
Ritu Prakash Chhabria	22,250	# 0.00%	22,250	# 0.00%	-
Katara Mukesh Dolumal HUF	17,500	# 0.00%	17,500	# 0.00%	-
Rishi Vijay Chhabria	6,750	# 0.00%	6,750	# 0.00%	-
Kishandas Parashram Chhabria	1,000	# 0.00%	1,000	# 0.00%	-

**Number of shares held by the promoters at the reporting dates and % change during the year ended March 31, 2024 are as follows:**

Name of the promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%	-
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%	-
Vijay Kishandas Chhabria	21,51,420	0.35%	21,51,420	0.35%	-
Katara Aruna Mukesh	12,88,895	0.21%	12,88,895	0.21%	-
Katara Dental Private Limited	10,69,750	0.17%	10,69,750	0.17%	-
Prakash Pralhad Chhabria	8,53,745	0.14%	8,53,745	0.14%	-
Kavita Sanjay Raheja	4,64,395	0.07%	4,64,395	0.07%	-
Deepak Kishan Chhabria	4,04,605	0.07%	4,04,605	0.07%	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Name of the promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Gayatri Prakash Chhabria	3,74,125	0.06%	3,74,125	0.06%	-
Hansika Hiya Prakash Chhabria	3,34,875	0.05%	3,34,875	0.05%	-
Priya Vijay Chhabria	3,01,000	0.05%	3,01,000	0.05%	-
Katara Amrita Mukesh	2,10,375	0.03%	2,10,375	0.03%	-
Katara Amit Mukesh	2,03,160	0.03%	2,03,160	0.03%	-
Vini Deepak Chhabria	1,32,000	0.02%	1,32,000	0.02%	-
Katara Mukesh Dolumal	1,15,150	0.02%	1,15,150	0.02%	-
Ritu Prakash Chhabria	22,250	# 0.00%	22,250	# 0.00%	-
Katara Mukesh Dolumal HUF	17,500	# 0.00%	17,500	# 0.00%	-
Rishi Vijay Chhabria	6,750	# 0.00%	6,750	# 0.00%	-
Kishandas Parashram Chhabria	1,000	# 0.00%	1,000	# 0.00%	-

# Rounded off to 0.00%

i) The Company has not issued any bonus shares, neither the Company has bought back any of its shares, nor any shares have been issued pursuant to contract without payment being received in cash during the five years immediately preceding the balance sheet date.

ii) The Company has only one class of equity shares having a par value of ₹ 2 each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

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

iii) The Board of Directors have recommended a final dividend of ₹ 2 (100%) per equity share of ₹ 2 each and a special dividend of ₹ 1.60 (80%) per equity share of ₹ 2 each, aggregating to ₹ 3.60 (180%) per equity share of ₹ 2 each for the year ended March 31, 2025. The dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

### 16 Other equity

Particulars	March 31, 2025	March 31, 2024
<b>Reserves and surplus</b>		
Securities premium	151.27	151.27
Capital redemption reserve	25.18	25.18
General reserve	394.50	394.50
Retained earnings	3,943.33	3,320.59
Equity instruments through other comprehensive income	1,340.41	1,522.63
<b>Total</b>	<b>5,854.69</b>	<b>5,414.17</b>

#### Nature and purpose of reserves

##### 1. Capital redemption reserve

Capital redemption reserve is created by transferring an amount from retained earnings pursuant to buy back of equity shares, and represents nominal value of shares bought back. The reserve will be utilised in accordance with the provisions of the Act.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 2. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings. General reserve does not include a component of OCI.

## 3. Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve will be utilised in accordance with the provisions of the Act.

## 4. Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, capital redemption reserve, dividends or other distributions paid to shareholders.

## 5. Equity instruments through OCI

Equity instruments through OCI represents unrealised fair value gain(or) loss in investments measured at FVOCI.

## 17 Lease liability

### Non-current

Particulars	March 31, 2025	March 31, 2024
Leased buildings and premises	9.50	9.54
<b>Total</b>	<b>9.50</b>	<b>9.54</b>

### Current

Particulars	March 31, 2025	March 31, 2024
Leased building and premises	6.17	2.46
<b>Total</b>	<b>6.17</b>	<b>2.46</b>

## 18 Other financial liabilities

### Non-current

Particulars	March 31, 2025	March 31, 2024
Security deposits	0.20	0.13
Dealer deposits	0.47	0.07
<b>Total</b>	<b>0.67</b>	<b>0.20</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

### Current

Particulars	March 31, 2025	March 31, 2024
Interest accrued but not due	1.36	2.96
Employee benefits payable	23.78	26.12
Payables for expenses	198.88	277.20
Payable for capital purchases	11.33	8.17
Unpaid dividend*	28.43	29.24
<b>Total</b>	<b>263.78</b>	<b>343.69</b>

\* Not due for transfer to Investor Education and Protection Fund.

Refer note 40 for discussion on the Company's financial risk management policies and procedures.



## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 19 Provisions

#### Non-current

Particulars	March 31, 2025	March 31, 2024
<b>Provisions for employee benefits</b>		
Gratuity (refer note 36)	-	7.85
Compensated absences (refer note 36)	17.12	15.45
<b>Total</b>	<b>17.12</b>	<b>23.30</b>

#### Current

Particulars	March 31, 2025	March 31, 2024
<b>Provisions for employee benefits</b>		
Gratuity (refer note 36)	7.06	2.00
Compensated absences (refer note 36)	2.80	2.47
<b>Total</b>	<b>9.86</b>	<b>4.47</b>

### 20 Government grants

Particulars	March 31, 2025	March 31, 2024
Non-current	40.98	53.60
Current	12.62	12.62
<b>Total</b>	<b>53.60</b>	<b>66.22</b>

- a) The Company was entitled to receive Industrial Promotion Subsidy under the Package Scheme of Incentives in relation to investments in property, plant and equipment at Ratnagiri plant. Accordingly, the same has been classified as grant related to assets and the Company recognises the revenue from grants over the remaining useful life of the respective property, plant and equipment from the date on which the company is entitled to receive such grants.

#### Liability movement

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>66.22</b>	<b>78.83</b>
Recognised in the statement of profit and loss	(12.62)	(12.62)
<b>As at the end of the year</b>	<b>53.60</b>	<b>66.22</b>

- b) The Company has received the eligibility certificate for the Industrial Promotion Subsidy under the package incentive scheme as mentioned above. There is no government grant accrued which has accrued during the year. (March 31, 2024: Nil)

#### Liability movement

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>26.45</b>	<b>28.82</b>
Add: Grant accrued during the year	-	-
Less: Claims received during the year	(8.50)	(2.37)
<b>As at the end of the year</b>	<b>17.95</b>	<b>26.45</b>

Refer note 6

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 21 Current borrowings

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured</b>		
<b>From Banks</b>		
Buyers credit	221.08	381.23
Cash credit	-	0.72
<b>TOTAL</b>	<b>221.08</b>	<b>381.95</b>

### Details of terms of borrowings:

Buyer's credits are part of working capital facilities. These are repayable based on the terms of each buyer's credit which is up to 90 days. The interest rate ranges from 4.57% per annum (p.a.) to 5.74% p.a. (March 31, 2024: 4.97 % p.a. to 6.10% p.a.)

Cash credits facilities have interest rate ranging from 8.50% p.a. to 9.60% p.a. (March 31, 2024: 8.70% p.a. to 9.60% p.a.)

The Company has aggregate limits of working capital borrowings of ₹ 1,916.25 Crore (March 31, 2024: ₹ 1,916.25 Crore) from various banks.

Borrowings from banks have been utilized for the purpose for which they were taken.

The Company has not been declared as wilful defaulter by any bank or financial institution or government or government authority.

Refer note 40 for discussion on Company's financial risk management policies and procedures.

### Reconciliation of debt in accordance with Ind AS 7, 'Statement of Cash Flows'

Particulars	Current borrowings	Lease liabilities	Interest accrued	Total
<b>Balance as at April 1, 2023</b>	<b>526.41</b>	<b>14.31</b>	<b>2.16</b>	<b>542.88</b>
Repayment of borrowings (net)	(146.03)	-	-	(146.03)
Foreign exchange fluctuation	1.57	-	-	1.57
Finance costs	-	-	36.45	36.45
Interest paid	-	-	(34.52)	(34.52)
Payment of lease liabilities	-	(2.31)	(1.13)	(3.44)
<b>Balance as at March 31, 2024</b>	<b>381.95</b>	<b>12.00</b>	<b>2.96</b>	<b>396.91</b>
Repayment of borrowings (net)	(157.61)	-	-	(157.61)
Additions (leases)	-	9.00	-	9.00
Foreign exchange fluctuation	(3.26)	-	-	(3.26)
Finance costs	-	-	29.64	29.64
Interest paid	-	-	(29.78)	(29.78)
Payment of lease liabilities	-	(5.33)	(1.46)	(6.79)
<b>Balance as at March 31, 2025</b>	<b>221.08</b>	<b>15.67</b>	<b>1.36</b>	<b>238.11</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 22 Trade payables

Particulars	March 31, 2025	March 31, 2024
<b>Trade payables</b>		
a) total outstanding dues of micro and small enterprises; and (refer note 42)	10.60	9.85
b) total outstanding dues of creditors other than micro and small enterprises	433.56	278.79
<b>Total</b>	<b>444.16</b>	<b>288.64</b>

#### Trade Payables ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	9.02	1.24	0.17	0.06	0.11	10.60
Other than micro enterprises and small enterprises - Undisputed	252.12	65.35	3.35	0.91	0.06	321.79
Unbilled dues - Undisputed	111.77	-	-	-	-	111.77
	<b>372.91</b>	<b>66.59</b>	<b>3.52</b>	<b>0.97</b>	<b>0.17</b>	<b>444.16</b>

#### Trade Payables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	8.53	0.84	0.30	0.07	0.11	9.85
Other than micro enterprises and small enterprises - Undisputed	177.39	32.26	1.20	0.04	0.03	210.92
Unbilled dues - Undisputed	67.87	-	-	-	-	67.87
	<b>253.79</b>	<b>33.10</b>	<b>1.50</b>	<b>0.11</b>	<b>0.14</b>	<b>288.64</b>

Trade payables are non-interest bearing and are normally settled within 30 to 45 days.

Refer note 40 for discussion on the Company's financial risk management policies and procedures.

### 23 Other current liabilities

Particulars	March 31, 2025	March 31, 2024
Revenue received in advance	10.75	7.44
Statutory dues (includes indirect taxes and withholding taxes)	9.24	62.21
<b>Total</b>	<b>19.99</b>	<b>69.65</b>

### 24 Taxes

#### A Income-tax assets (net)

Particulars	March 31, 2025	March 31, 2024
Advance tax (net of provision for tax)	5.08	21.46
<b>Total</b>	<b>5.08</b>	<b>21.46</b>

The note below details the major components of income-tax expenses for the year ended March 31, 2025 and March 31, 2024. The note further describes the significant estimates made in relation to Company's income-tax position, and also explains how the income-tax expense is impacted by non-assessable and non-deductible items.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## B Composition of income tax expense is as follows:

Particulars	March 31, 2025	March 31, 2024
<b>Statement of profit and loss</b>		
<b>Current tax</b>		
Current income tax charge	214.81	147.85
Tax pertaining to earlier year(s)	0.25	(0.27)
<b>Deferred tax</b>		
Relating to temporary differences	11.77	10.61
<b>Income-tax expense reported in the statement of profit and loss</b>	<b>226.83</b>	<b>158.19</b>
<b>OCI</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Remeasurement gains/ (losses) on defined benefit plans	0.18	0.81
Fair value changes of financial assets	12.27	(65.25)
<b>Income-tax charged to OCI</b>	<b>12.45</b>	<b>(64.44)</b>

## C Reconciliation between tax expense and accounting profit multiplied by tax rate

Current taxes are measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Particulars	March 31, 2025	March 31, 2024
Accounting profit before tax expense	1,004.69	613.49
<b>At applicable tax rate @ 25.168%</b>	<b>252.86</b>	<b>154.40</b>
<b>Adjustments for:</b>		
Donation expense	2.58	- #
Corporate social responsibility expenses	7.17	6.45
Other non-deductible expenses	0.11	0.09
Agricultural income under section 10(1) of the Income-tax Act, 1961	(0.02)	(0.01)
Deductions allowed under the the Income-tax Act, 1961	(7.27)	(4.25)
Other income credited to statement of profit and loss, either exempt or considered separately	-	(0.19)
Prior years' tax adjustments	0.25	(0.27)
Other adjustments	(0.09)	1.78
Income chargeable at different tax rates on sale of long-term capital assets	(20.99)	-
Income chargeable at different tax rates on sale of mutual funds	(7.77)	-
Allowance against capital loss on sale of bonds	-	0.19
<b>Tax expense as per standalone statement of profit and loss</b>	<b>226.83</b>	<b>158.19</b>

The Company's effective tax rates for the year ended March 31, 2025 and March 31, 2024 are 22.58% and 25.79% respectively.

# Amount is below the rounding off norm adapted by the Company.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### D Composition of deferred tax assets, deferred tax liabilities and deferred tax (expense)/income

#### As at and for the year ended March 31, 2025

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Deferred tax liabilities</b>						
Depreciation	(124.20)	(130.51)	-	-	6.31	6.50
Fair valuation of investments measured at FVOCI	(54.74)	(67.01)	12.27	(65.25)	-	11.82
Fair valuation of investments measured at FVTPL	(41.20)	(25.92)	-	-	(15.28)	(25.92)
Right-of-use assets	-	-	-	-	-	0.06
Others	(0.20)	(0.26)	-	-	0.06	(0.26)
<b>Deferred tax assets</b>						
Government grants	13.48	16.66	-	-	(3.18)	(3.18)
Disallowance for MSME dues	1.04	0.34	-	-	0.70	0.34
Disallowance on account of non-deduction of tax deducted at source	-	-	-	-	-	(0.26)
Leave encashment	5.01	4.51	-	-	0.50	0.49
Defined benefit obligation and others	1.78	2.48	0.18	0.81	(0.88)	(0.20)
<b>Deferred tax income/ (expense)</b>			<b>12.45</b>	<b>(64.44)</b>	<b>(11.77)</b>	<b>(10.61)</b>
<b>Deferred tax liabilities (net)</b>	<b>(199.03)</b>	<b>(199.71)</b>				

#### As at and for the year ended March 31, 2024

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Deferred tax liabilities</b>						
Depreciation	(130.51)	(137.01)	-	-	6.50	1.09
Fair valuation of investments measured at FVOCI	(67.01)	(13.58)	(65.25)	-	11.82	(12.69)
Fair valuation of investments measured at FVTPL	(25.92)	-	-	-	(25.92)	2.25
Right-of-use assets	-	(0.06)	-	-	0.06	(0.06)
Others	(0.26)	-	-	-	(0.26)	-
<b>Deferred tax assets</b>						
Government grants	16.66	19.84	-	-	(3.18)	0.26
Disallowance for MSME dues	0.34	-	-	-	0.34	-
Disallowance on account of non-deduction of tax deducted at source	-	0.26	-	-	(0.26)	(0.75)
Leave encashment	4.51	4.02	-	-	0.49	0.19
Defined benefit obligation and others	2.48	1.87	0.81	0.11	(0.20)	0.63
<b>Deferred tax (expense)/ income</b>			<b>(64.44)</b>	<b>0.11</b>	<b>(10.61)</b>	<b>(9.08)</b>
<b>Deferred tax liabilities (net)</b>	<b>(199.71)</b>	<b>(124.66)</b>				



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## E Composition of deferred tax assets and deferred tax liabilities

Deferred taxes are measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period. The Company offsets tax assets and liabilities, if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income-taxes levied by the same tax authority.

### Reconciliation of deferred tax liabilities (net)

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>(199.71)</b>	<b>(124.66)</b>
<b>Tax (expense)/income</b>		
Recognised in the statement of profit and loss	(11.77)	(10.61)
Recognised in the OCI	12.45	(64.44)
<b>As at the end of the year</b>	<b>(199.03)</b>	<b>(199.71)</b>

## F Composition of deferred tax (expense)/ income recognised in the statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Deferred tax expense	(19.34)	(29.81)
Deferred tax income	7.57	19.20
Deferred tax expense (net)	<b>(11.77)</b>	<b>(10.61)</b>

## 25 Revenue from operations

Particulars	March 31, 2025	March 31, 2024
<b>Revenue from sale of products</b>		
Sale of products	4,109.33	4,274.10
<b>Other operating revenue</b>		
a) Sale of scrap	17.02	28.02
b) Recovery of port charges	3.01	2.69
c) Government grant/subsidy (refer note 20)	12.61	12.62
<b>Total</b>	<b>4,141.97</b>	<b>4,317.43</b>

**Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:**

### (a) Revenue streams

The Company derives revenue from sale of pipes and fittings and PVC resin, which is disclosed in note 35 as segment revenue. Hence, no disaggregation of revenue is provided separately.

### (b) Disaggregation of revenue from contracts with customers

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by product lines, timing of revenue recognition and geography:

#### A. Revenue by product lines and others:

Particulars	March 31, 2025	March 31, 2024
PVC	31.54	123.49
PVC pipes and fittings	4,077.79	4,150.61
<b>Total</b>	<b>4,109.33</b>	<b>4,274.10</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### B. Revenue by timing of revenue recognition:

Particulars	March 31, 2025	March 31, 2024
Goods transferred at a point in time when performance obligation is satisfied	4,109.33	4,274.10
<b>Total</b>	<b>4,109.33</b>	<b>4,274.10</b>

### C. Revenue by geography:

The Company operates in domestic market only, hence no separate geographical information has been provided.

### D. Contract balance

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers:

Particulars	March 31, 2025	March 31, 2024
Receivables, which are included in 'trade receivables' (net of loss allowance)	379.25	457.63
Contract liabilities (includes revenue received in advance )	10.75	7.44

### E. Changes in contract liabilities balance during the period are as follows:

Contract liabilities - revenue received in advance

Particulars	March 31, 2025	March 31, 2024
<b>Balance at the beginning of the year</b>	<b>7.44</b>	<b>19.90</b>
Add: Addition during the year	10.75	7.44
Less: Amount of revenue recognised during the year	(7.44)	(19.90)
<b>Balance at the end of the year</b>	<b>10.75</b>	<b>7.44</b>

The aggregate amount of transaction price allocated to the performance obligations (yet to be completed) as at March 31, 2025 is ₹ 10.75 Crore. This balance represents the advance received from customers against sale of goods. The management expects to invoice and collect the remaining balance of total consideration within next 12 months. These balances will be recognised as revenue in subsequent period as per the policy of the Company.

F. The Company does not have any significant obligations for returns, refunds or warranties.

## 26 Other income

Particulars	March 31, 2025	March 31, 2024
<b>I) Interest income on financial assets measured at amortised cost:</b>		
a) Deposit with bank and financial institution	38.08	10.67
b) Investment in bonds and commercial papers	36.26	22.20
c) Loans to vendors	0.57	0.86
d) Income-tax refund	0.62	-
e) Overdue receivables from customers	-	0.01
f) Others	4.27	0.18
<b>II) Dividend from non-current investments</b>		
a) Classified at fair value through FVTPL	0.02	0.03
b) Classified at fair value through FVOCI	17.75	15.53
c) Classified at cost - associate	1.62	1.16

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
<b>III) Other non-operating income</b>		
a) Insurance claims received	0.13	0.02
b) Net gains on fair value changes on investment classified as FVTPL	62.11	56.78
c) Net gain on sale of current investments (mutual funds) classified as FVTPL	85.14	61.75
d) Liabilities written back (net)	0.22	1.91
e) Others	1.46	10.01
<b>Total</b>	<b>248.25</b>	<b>181.11</b>

## 27 Cost of materials consumed

Particulars	March 31, 2025	March 31, 2024
Cost of raw materials consumed	2,584.01	2,704.60
Packing material consumed	37.94	40.32
<b>Total</b>	<b>2,621.95</b>	<b>2,744.92</b>

## 28 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	March 31, 2025	March 31, 2024
<b>Inventories at the end of the year</b>		
Finished goods	209.19	267.75
Work-in-progress	90.89	64.19
Stock-in-trade	11.20	4.83
<b>Sub total (A)</b>	<b>311.28</b>	<b>336.77</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	267.75	215.43
Work-in-progress	64.19	79.93
Stock-in-trade	4.83	1.41
<b>Sub total (B)</b>	<b>336.77</b>	<b>296.77</b>
<b>Changes in inventories of finished goods, stock-in-trade and work-in-progress (B-A)</b>	<b>25.49</b>	<b>(40.00)</b>

## 29 Employee benefits expense

Particulars	March 31, 2025	March 31, 2024
Salaries, wages and bonus	193.68	183.58
Contribution to provident fund and other funds (refer note 36)	12.38	10.99
Staff welfare expenses	16.22	16.82
<b>Total</b>	<b>222.28</b>	<b>211.39</b>

## 30 Finance costs

Particulars	March 31, 2025	March 31, 2024
<b>Interest expense on financial liabilities measured at amortised cost:</b>		
on borrowings	18.07	25.24
on lease liabilities	1.46	1.13
on others	0.45	0.12
Other borrowing costs	1.06	1.40
Exchange differences regarded as an adjustment to borrowing cost	8.60	8.56
<b>Total</b>	<b>29.64</b>	<b>36.45</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 31 Depreciation and amortisation expenses

Particulars	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment (refer note 3.1)	97.92	112.27
Depreciation of right-of-use assets (refer note 3.2)	6.18	3.42
Amortisation of intangible assets (refer note 3.4)	2.61	0.33
<b>Total</b>	<b>106.71</b>	<b>116.02</b>

## 32 Other expenses

Particulars	March 31, 2025	March 31, 2024
Power and fuel	263.45	284.82
Stores and spares consumed	45.78	49.13
Jobwork and other manufacturing expenses	151.73	147.06
Warehousing and other rental expenses	30.84	22.50
Rates and taxes	9.63	10.52
Insurance	16.59	14.70
Repairs and maintenance (buildings)	5.26	7.94
Repairs and maintenance (plant and equipment)	19.68	15.94
Repairs and maintenance (others)	5.94	14.17
Communication expenses	1.59	1.72
Travelling and conveyance	20.84	22.02
Directors' sitting fees	0.66	0.41
Commission to non-executive directors	3.60	2.50
<b>Auditor's remuneration:#</b>		
-As auditors	0.42	0.42
-Certification	-	0.01
-Reimbursement of expenses	0.06	0.06
Advertisement, publicity and sales promotion	85.01	105.91
Freight outward expenses	1.43	1.39
Loss on disposal of property, plant and equipment	0.34	0.52
Legal and professional fees	19.46	22.40
Donations	10.25	0.01
Contribution towards corporate social responsibility (CSR) (refer note below)	28.50	25.64
Security expenses	9.36	10.08
Information technology maintenance	25.73	12.73
Net loss on foreign currency transactions and translations (other than considered as finance cost)	2.68	2.78
Miscellaneous expenses	9.00	8.90
<b>Total</b>	<b>767.83</b>	<b>784.28</b>

# excluding applicable tax

## Corporate Social responsibility (CSR)

As per section 135 of the Act and rules therein, the Company is required to spend at least 2% of its average net profits for the three immediately preceding years towards CSR activities. The Company has constituted a CSR committee as per the Act. The funds are utilised for the activities which are specified in Schedule VII to the Act.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Details of CSR expenditure are as follows:

Corporate social responsibility (CSR)	March 31, 2025	March 31, 2024
Contribution to Mukul Madhav Foundation Trust (related party)	27.30	24.79
Contribution to others	1.20	0.85
<b>Total</b>	<b>28.50</b>	<b>25.64</b>
a) Amount required to be spent during the period	11.17	14.34
b) Amount spent during the year on:	28.50	25.64
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	28.50	25.64
c) Shortfall at the end of the year	-	-
d) Total of previous years' shortfall	-	-
e) Reason of shortfall	NA	NA
f) Details of related party transactions (refer note 37)	27.30	24.79
g) Provision made with respect to any liability incurred by entering into contractual obligation, the movement of provision	-	-

## Nature of CSR activities:

Agriculture and rural development, eradicating hunger and poverty, promoting education, vocational skills, and livelihood, gender equality and women empowerment, preventive healthcare, heritage art and culture, environmental sustainability, promoting sports, sanitation, hygiene and safe drinking water, animal welfare, support to differently abled, technology incubators, armed forces/veterans, contribution to river and beach cleaning.

## 33 Exceptional item

Particulars	March 31, 2025	March 31, 2024
Gain on transfer of leasehold rights of land	416.99	-

Exceptional item pertains to the net gain on transfer of rights on leasehold land admeasuring approximately 25.27 acres situated at Chinchwad, Pune, along with structures.

## 34 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

There are no potential shares that have a dilutive effect on the EPS.

The following reflects the income and share data used in the basic EPS computation

Particulars	March 31, 2025	March 31, 2024
<b>Basic and diluted</b>		
Profit for the year before tax	1,004.69	613.49
Less: Attributable tax thereto	226.83	158.19
<b>Net profit after tax (in ₹ Crore)</b>	<b>777.86</b>	<b>455.30</b>
Weighted average number of equity shares	61,83,13,905	61,83,13,905
<b>Basic EPS</b>	<b>12.58</b>	<b>7.36</b>
<b>Diluted EPS</b>	<b>12.58</b>	<b>7.36</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 35 Segment information

The Company is in the business of manufacturing PVC resin and PVC pipes and fittings. Therefore as per Ind AS 108, "Operating Segments", the Company has disclosed two segments i.e. PVC resin and PVC pipes and fittings.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss that is measured consistently with profit or loss in the financial statements. The Company's financing (including finance costs and finance income) and income-taxes are not allocated to operating segments.

### Year ended March 31, 2025

Particulars	PVC	PVC pipes and fittings	Total	Adjustments and eliminations	Net
<b>Revenue</b>					
External customers	37.92	4,104.05	4,141.97	-	4,141.97
Inter-segment	1,622.09	-	1,622.09	(1,622.09)	-
<b>Total revenue</b>	<b>1,660.01</b>	<b>4,104.05</b>	<b>5,764.06</b>	<b>(1,622.09)</b>	<b>4,141.97</b>
<b>Expenses</b>					
Depreciation and amortisation expenses	(19.35)	(71.60)	(90.95)	-	(90.95)
<b>Segment profit</b>	<b>195.50</b>	<b>235.63</b>	<b>431.13</b>	<b>-</b>	<b>431.13</b>
<b>Total assets</b>	<b>717.97</b>	<b>1,558.90</b>	<b>2,276.87</b>	<b>-</b>	<b>2,276.87</b>
<b>Total liabilities</b>	<b>217.32</b>	<b>378.54</b>	<b>595.86</b>	<b>-</b>	<b>595.86</b>
<b>Other disclosures</b>					
Capital expenditure	13.64	33.79	47.43	-	47.43

### Year ended March 31, 2024

Particulars	PVC	PVC pipes and fittings	Total	Adjustments and eliminations	Net
<b>Revenue</b>					
External customers	132.28	4,185.15	4,317.43		4,317.43
Inter-segment	1,353.53	-	1,353.53	(1,353.53)	-
<b>Total revenue</b>	<b>1,485.81</b>	<b>4,185.15</b>	<b>5,670.96</b>	<b>(1,353.53)</b>	<b>4,317.43</b>
<b>Expenses</b>					
Depreciation and amortisation expenses	(17.34)	(82.79)	(100.13)	-	(100.13)
Impairment of financial assets					-
<b>Segment profit</b>	<b>120.03</b>	<b>401.09</b>	<b>521.12</b>	<b>-</b>	<b>521.12</b>
<b>Total assets</b>	<b>804.14</b>	<b>1,486.75</b>	<b>2,290.89</b>	<b>-</b>	<b>2,290.89</b>
<b>Total liabilities</b>	<b>130.55</b>	<b>368.41</b>	<b>498.96</b>	<b>-</b>	<b>498.96</b>
<b>Other disclosures</b>					
Capital expenditure	24.28	94.42	118.69	-	118.69

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Adjustments and eliminations

Finance income, costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed for the Company as a whole.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to these segments as they are managed for the Company as a whole.

Capital expenditure consists of additions of property, plant and equipment and intangible assets and additions to capital work-in-progress.

## Reconciliation of profit

Particulars	March 31, 2025	March 31, 2024
<b>Segment profit</b>	<b>431.13</b>	<b>521.12</b>
Unallocable income	247.35	179.96
Finance costs	(29.64)	(36.45)
Exceptional item	416.99	-
Unallocable expense	(61.14)	(51.14)
<b>Profit before tax</b>	<b>1,004.69</b>	<b>613.49</b>

## Reconciliation of assets

Particulars	March 31, 2025	March 31, 2024
<b>Segment operating assets</b>	<b>2,276.87</b>	<b>2,290.89</b>
Current tax assets	5.08	21.46
Financial assets carried at FVTPL	0.70	0.69
Financial assets carried at FVTOCI	2,038.88	2,233.38
Financial assets carried at cost	7.55	7.55
Other financial assets at amortised cost		
Financial assets carried at amortised cost	559.85	309.05
Current investments	2,144.05	1,905.15
Cash and cash equivalents (including other bank balances)	125.36	31.65
Assets classified as held for sale	-	2.88
Other unallocated assets	64.98	125.02
<b>Total assets</b>	<b>7,223.32</b>	<b>6,927.72</b>

## Reconciliation of liabilities

Particulars	March 31, 2025	March 31, 2024
<b>Segment operating liabilities</b>	<b>595.86</b>	<b>498.96</b>
Deferred tax liabilities	199.03	199.71
Trade payables	24.65	26.57
Current tax liability	-	0.05
Current borrowings	221.08	381.95
Financial liabilities at cost	82.14	91.65
Interest accrued	1.36	2.96
Unpaid dividend	28.43	29.24
Statutory dues	9.24	62.21
Provisions	26.98	27.77
Government grant	53.60	66.22
Other unallocated liabilities	2.59	2.59
<b>Total liabilities</b>	<b>1,244.96</b>	<b>1,389.88</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### Capital employed: Segment assets less segment liabilities

Particulars	March 31, 2025	March 31, 2024
PVC resin	717.97	804.14
PVC pipes and fittings	1,558.90	1,486.75
Unallocable assets	4,946.45	4,636.83
<b>Total segment assets</b>	<b>7,223.32</b>	<b>6,927.72</b>
PVC resin	217.32	130.55
PVC pipes and fittings	378.54	368.41
Unallocable liabilities	649.10	890.92
<b>Total segment liabilities</b>	<b>1,244.96</b>	<b>1,389.88</b>
PVC resin	500.65	673.59
PVC pipes and fittings	1,180.36	1,118.34
Unallocable	4,297.35	3,745.91
<b>Capital employed</b>	<b>5,978.36</b>	<b>5,537.84</b>

### Geographic information

The Company operates in domestic market only, hence no separate geographical information has been provided.

## 36 Disclosure pursuant to employee benefits

### A. Defined contribution plans:

Amount of ₹ 8.77 Crore (March 31, 2024: ₹ 7.95 Crore) is recognised as expenses and included in note no. 29 "Employee benefits expense".

The contribution are made to recognised provident fund administered by the Government of India for employees @12% p.a. of basic salary per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual constructive obligation.

### B. Defined benefit plans:

The Company has Gratuity as post employment benefit which is in the nature of defined benefit plan.

The Company operates gratuity plan (funded) wherein every employee is entitled to the benefit equivalent to fifteen days last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## March 31, 2025: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in OCI					Contributions by employer	March 31, 2025
	April 1, 2024	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	
<b>Gratuity</b>											
Defined benefit obligation	31.57	3.08	2.17	5.25	(2.84)	-	-	0.91	(0.16)	0.75	34.73
Fair value of plan assets	21.72	-	1.64	1.64	(3.17)	0.05	-	(0.04)	0.09	0.05	27.67
<b>Total benefit liability</b>	<b>9.85</b>	<b>3.08</b>	<b>0.53</b>	<b>3.61</b>	<b>0.33</b>	<b>(0.05)</b>	<b>-</b>	<b>0.95</b>	<b>(0.25)</b>	<b>0.70</b>	<b>7.06</b>

## March 31, 2024: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in OCI					Contributions by employer	March 31, 2024
	April 1, 2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	
<b>Gratuity</b>											
Defined benefit obligation	27.37	2.61	1.90	4.51	(3.50)	-	-	0.33	2.86	3.19	31.57
Fair value of plan assets	20.84	-	1.47	1.47	(3.25)	(0.05)	-	0.07	(0.12)	(0.05)	21.72
<b>Total benefit liability</b>	<b>6.53</b>	<b>2.61</b>	<b>0.43</b>	<b>3.04</b>	<b>(0.25)</b>	<b>0.05</b>	<b>-</b>	<b>0.26</b>	<b>2.98</b>	<b>3.24</b>	<b>9.85</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

**The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:**

Particulars	March 31, 2025	March 31, 2024
Insured managed funds Life Insurance Corporation of India ('LIC')	27.67	21.72
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans is shown below:

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.70%	7.20%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.20%	7.40%
<b>Expected average remaining working lives (in years)</b>		
Gratuity	8.14	8.14
Compensated absences	8.14	8.14
<b>Withdrawal rate</b>		
Gratuity	9.00%	9.00%
Compensated absences	9.00%	9.00%

**A quantitative sensitivity analysis for significant assumption is as shown below:**

### Gratuity

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		March 31, 2025	March 31, 2024
Discount rate	1% increase	(1.97)	1.59
	1% decrease	1.77	(1.76)
Future salary increase	1% increase	(1.60)	(1.43)
	1% decrease	1.47	1.32
Withdrawal rate	1% increase	0.12	0.06
	1% decrease	(0.12)	(0.07)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in one significant assumption at a time, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

The same method has been applied for the sensitivity analysis when calculating the recognised defined benefit obligation.

The following are the expected future benefit payments for the defined benefit plan:

Particulars	March 31, 2025	March 31, 2024
Within the next 12 months (next annual reporting period)	5.37	5.08
Between 2 and 5 years	22.88	21.80
Beyond 5 years	19.15	18.38
<b>Total expected payments</b>	<b>47.40</b>	<b>45.26</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	March 31, 2025	March 31, 2024
	Years	Years
Gratuity	8.25	7.99

## The following are the expected contributions to plan assets for the next year:

Particulars	March 31, 2025	March 31, 2024
	Years	Years
Gratuity	7.06	2.00

## Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

### 1. Liability risks

#### a. Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

#### b. Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

#### c. Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

#### d. Withdrawal

Actual withdrawal providing higher or lower than assumed withdrawal and change of withdrawal rate at subsequent valuation can impact plan's liability.

### 2. Asset risks

All plan assets are maintained in a trust fund managed by a LIC, public sector insurer. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### C. Other long-term employment benefits

The Company has compensated absences plan which is covered by other long-term employee benefits.

#### March 31, 2025: Changes in defined benefit obligation of compensated absences

Particulars	Cost charged to statement of profit and loss					Benefit paid	March 31, 2025
	April 1, 2024	Service cost	Interest cost	Actuarial changes arising from various assumption	Sub-total included in statement of profit and loss (Note 29)		
<b>Compensated absences</b>							
Defined benefit obligation	17.92	2.89	1.18	0.87	4.94	(2.94)	19.92
<b>Benefit liability</b>	<b>17.92</b>	<b>2.89</b>	<b>1.18</b>	<b>0.87</b>	<b>4.94</b>	<b>(2.94)</b>	<b>19.92</b>

#### March 31, 2024: Changes in defined benefit obligation of compensated absences

Particulars	Cost charged to statement of profit and loss					Benefit paid	March 31, 2024
	April 1, 2023	Service cost	Interest cost	Actuarial changes arising from various assumption	Sub-total included in statement of profit and loss (Note 29)		
<b>Compensated absences</b>							
Defined benefit obligation	16.05	2.41	1.08	1.25	4.74	(2.87)	17.92
<b>Benefit liability</b>	<b>16.05</b>	<b>2.41</b>	<b>1.08</b>	<b>1.25</b>	<b>4.74</b>	<b>(2.87)</b>	<b>17.92</b>

### 37 Related party transactions

In accordance with the requirement of Ind AS 24 'Related Party Disclosures', name of related parties, their relationships, transactions and outstanding balances with them as identified and certified by the management are as follows:

#### A. Names of the related party and nature of relationship where control exists

There are no parties where control exists.

#### B. Directors and Key Management Personnel:

Name of the related party	Nature of relationship
Mr. Prakash P. Chhabria	Executive Chairman
Mr. Saurabh S. Dhanorkar	Non-Executive and Non-Independent Director (up to November 20, 2024) Managing Director (with effect from (w.e.f.) November 21, 2024)
Mr. Anil V. Whabi	Managing Director (up to May 31, 2023)
Mr. Saumya Chakrabarti	Director- Technical
Mr. Ajit Venkataraman	Managing Director (w.e.f. June 1, 2023 up to November 20, 2024)
Mr. Niraj Kedia	Chief Financial Officer (up to June 30, 2024)
Mr. Chandan Verma	Chief Financial Officer (w.e.f. September 30, 2024)
Mrs. Ritu P. Chhabria	Non-Executive and Non-Independent Director
Ms. Bhumika L. Batra	Independent Director (up to September 19, 2024)
Mrs. Kanchan U. Chitale	Independent Director
Dr. Deepak R. Parikh	Independent Director (up to September 19, 2024)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

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(All amounts in ₹ Crore, unless otherwise stated)

Name of the related party	Nature of relationship
Mr. Pradeep R. Rathi	Independent Director (up to September 19, 2024)
Mr. Anami N. Roy	Independent Director (up to September 19, 2024)
Mr. Debabrata Sarkar	Independent Director (w.e.f. September 19, 2024)
Mr. Vijay N Bhatt	Independent Director (w.e.f. September 19, 2024)
Mr. Aditya Sapru	Independent Director (w.e.f. September 19, 2024)
Mr. Munesh Khanna	Independent Director (w.e.f. September 19, 2024)
Mr. Rajesh Rathi	Independent Director (w.e.f. September 19, 2024)
Mr. Pradeep Udhas	Independent Director (w.e.f. September 30, 2024)
Mr. Dakshinamurthy Iyer	Company Secretary (w.e.f. May 10, 2024)
Mr. Ashutosh Kulkarni	Company Secretary (up to January 15, 2024)

## C. Name of the related parties with whom transactions have been entered into

Name of the related party	Nature of relationship
Orbit Electricals Private Limited	Enterprise controlled by Key Management Personnel
Finolex Plasson Industries Private Limited	Associate Company
Finolex Cables Limited	Enterprise wherein the Company is an associate
Mukul Madhav Foundation (Trust)	Enterprises over which Key Management Personnel or their relatives exercise significant influence
Finolex Infrastructure Private Limited	
Ms. Gayatri Chhabria	Relative of Key Management Personnel
Finolex Industries Limited Employees Gratuity Fund	Post employment benefit plan of Company

## D. Transactions with related parties

Particulars	March 31, 2025	March 31, 2024
<b>I. Sales, services and other income</b>		
<b>Dividend received</b>	<b>19.37</b>	<b>16.69</b>
Finolex Cables Limited	17.75	15.53
Finolex Plasson Industries Private Limited	1.62	1.16
<b>II. Expenses</b>		
<b>Short-term employee benefits:*</b>		
<b>Salary and perquisites</b>	<b>10.57</b>	<b>11.91</b>
Mr. Prakash P. Chhabria	4.24	3.84
Mr. Saurabh S. Dhanorkar	0.83	-
Mr. Ajit Venkataraman	2.11	4.13
Mr. Anil V. Whabi	-	0.67
Mr. Saumya Chakrabarti	1.60	1.45
Mr. Niraj Kedia	0.38	1.21
Mr. Chandan Verma	0.36	-
Mr. Ashutosh Kulkarni	-	0.28
Mr. Dakshinamurthy Iyer	0.60	-
Ms. Gayatri Chhabria	0.45	0.33

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
<b>Commission</b>	<b>11.72</b>	<b>14.87</b>
Mr. Prakash P. Chhabria	6.80	10.34
Mr. Saurabh S. Dhanorkar	0.85	0.34
Mr. Ajit Venkataraman	-	1.50
Mr. Saumya Chakrabarti	0.47	0.55
Mrs. Ritu P. Chhabria	0.50	0.34
Ms. Bhumika L. Batra	0.25	0.34
Mrs. Kanchan U. Chitale	0.50	0.34
Dr. Deepak R. Parikh	0.25	0.34
Mr. Pradeep R. Rathi	0.30	0.44
Mr. Anami N. Roy	0.25	0.34
Mr. Debabrata Sarkar	0.25	-
Mr. Vijay N Bhatt	0.30	-
Mr. Aditya Sapru	0.25	-
Mr. Munesh Khanna	0.25	-
Mr. Rajesh Rathi	0.25	-
Mr. Pradeep Udhas	0.25	-
<b>Directors' sitting Fees</b>	<b>0.66</b>	<b>0.41</b>
Mrs. Ritu P. Chhabria	0.05	0.02
Ms. Bhumika L. Batra	0.04	0.05
Mrs. Kanchan U. Chitale	0.11	0.09
Mr. Saurabh S. Dhanorkar	0.09	0.08
Dr. Deepak R. Parikh	0.04	0.06
Mr. Pradeep R. Rathi	0.05	0.06
Mr. Anami N. Roy	0.04	0.05
Mr. Debabrata Sarkar	0.05	-
Mr. Vijay N Bhatt	0.05	-
Mr. Aditya Sapru	0.05	-
Mr. Munesh Khanna	0.02	-
Mr. Rajesh Rathi	0.03	-
Mr. Pradeep Udhas	0.04	-
<b>Dividend paid</b>	<b>79.40</b>	<b>47.64</b>
Finolex Cables Limited	50.24	30.14
Orbit Electricals Private Limited	29.16	17.50
<b>Contribution towards CSR</b>		
Mukul Madhav Foundation	27.30	24.79
<b>Contributions paid</b>		
Finolex Industries Limited Employees' Gratuity Fund	7.43	2.71

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as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
<b>Amount payable towards salary and perquisites, commission and sitting fees</b>	<b>12.46</b>	<b>15.78</b>
Mr. Prakash P. Chhabria	7.22	10.72
Mr. Saurabh S. Dhanorkar	0.91	0.34
Mr. Ajit Venkataraman	-	1.76
Mr. Anil V. Whabi	-	0.02
Mr. Saumya Chakrabarti	0.60	0.66
Mrs. Ritu P. Chhabria	0.50	0.34
Ms. Bhumika L. Batra	0.25	0.34
Mrs. Kanchan U. Chitale	0.50	0.34
Dr. Deepak R. Parikh	0.25	0.34
Mr. Pradeep R. Rathi	0.30	0.44
Mr. Anami N. Roy	0.25	0.34
Mr. Debabrata Sarkar	0.25	-
Mr. Vijay N Bhatt	0.30	-
Mr. Aditya Sapru	0.25	-
Mr. Munesh Khanna	0.25	-
Mr. Rajesh Rathi	0.25	-
Mr. Pradeep Udhas	0.25	-
Mr. Niraj Kedia	-	0.10
Mr. Chandan Verma	0.05	-
Mr. Ashutosh Kulkarni	-	0.02
Mr. Dakshinamurthy Iyer	0.04	-
Ms. Gayatri Chhabria	0.04	0.02
<b>Amount receivable from</b>	<b>0.28</b>	<b>0.34</b>
Finolex Industries Limited Employees' Gratuity Fund	0.28	0.34

\*As post employment obligations and other long-term employee benefits/obligation are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

## Terms and conditions of transactions with related parties

Transaction entered into with related parties are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

## 38 Commitments and contingencies

### 38.1 Commitments

#### a) Capital commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2025 ₹ 18.66 Crore (March 31, 2024: ₹ 51.49 Crore)

#### b) Other commitments:

Aggregate amount of bank guarantees outstanding as on March 31, 2025 is ₹ 64.51 Crore (March 31, 2024: ₹ 39.07 Crore)



## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### 38.2 Contingent liabilities

Particulars	March 31, 2025	March 31, 2024
<b>Claims against the Company not acknowledged as debt in respect of:</b>		
a) Income-tax matters	12.32	14.24
b) Excise/ Customs/ Service tax matters	48.71	60.39
c) Sales tax matters	1.33	2.11
d) Consumer protection matters	0.18	0.25

- 1 It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- 2 The amounts disclosed above represent the best possible estimates arrived at on the basis of available information.
- 3 The Company is contesting all of the above demands and the management believes that its positions are likely to be upheld by the respective courts. The management believes that the ultimate outcome of these proceedings are not expected to have a material impact on the Company's standalone financial statements and hence no provisions have been made in this regard.

### 39 Fair value of financial assets and liabilities

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at (i) fair value (ii) measured at amortised cost and for which fair values are considered to be same as the amortised costs disclosed in the financial statements. They are further classified into Level 1 to Level 3 as required by the Ind AS and described in the significant accounting policies of the Company. Further, the note describes valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

#### Classification of financial instruments by category into levels of fair value hierarchy as at March 31, 2025:

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non-current investments:</b>							
<b>Investment in equity shares/ bonds of:</b>							
<b>Quoted</b>							
Equity instruments	-	0.71	-	-	2,026.46	-	-
Bonds and debentures	166.00	-	-	-	-	-	-
<b>Unquoted</b>							
Equity instruments*	7.87	-	-	-	-	12.42	-
Deposits with non banking financial institutions	393.52	-	-	-	-	-	-
<b>Current investments:</b>							
Investments in units of mutual funds (Quoted)	-	1,909.66	-	-	-	-	-
Bonds	234.39	-	-	-	-	-	-
Deposits with Non banking financial institutions	-	-	-	-	-	-	-
Commercial papers	-	-	-	-	-	-	-
<b>Trade and other receivables</b>	<b>379.25</b>	-	-	-	-	-	-
<b>Loans</b>	<b>13.28</b>	-	-	-	-	-	-

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Cash and cash equivalents</b>	<b>44.39</b>	-	-	-	-	-	-
<b>Other bank balances</b>	<b>80.97</b>	-	-	-	-	-	-
<b>Other financial assets</b>	<b>27.92</b>	-	-	-	-	-	-
<b>Total</b>	<b>1,347.58</b>	<b>1,910.37</b>	-	-	<b>2,026.46</b>	<b>12.42</b>	-
<b>Financial liabilities</b>							
Borrowings	221.08	-	-	-	-	-	-
Trade payables	444.16	-	-	-	-	-	-
Other financial liabilities	264.45	-	-	-	-	-	-
Lease liabilities	15.67	-	-	-	-	-	-
<b>Total</b>	<b>945.36</b>	-	-	-	-	-	-

\*In accordance with IND AS 27- Separate financial statement, Company has valued its investment in associates at cost.

## Classification of financial instruments by category into levels of fair value hierarchy as at March 31, 2024:

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non-current investments:</b>							
<b>Investment in equity shares of:</b>							
<b>Quoted</b>							
Equity instruments	-	0.69	-	-	2,220.93	-	-
Bonds and debentures	244.63	-	-	-	-	-	-
<b>Unquoted</b>							
Equity instruments	7.84	-	-	-	-	12.45	-
Deposits with Non banking financial institutions	64.12	-	-	-	-	-	-
<b>Current investments:</b>							
Investments in units of mutual funds (Quoted)	-	1,614.48	-	-	-	-	-
Bonds	126.09	-	-	-	-	-	-
Deposits with Non banking financial institutions	116.39	-	-	-	-	-	-
Commercial papers	48.19	-	-	-	-	-	-
<b>Trade and other receivables</b>	<b>457.63</b>	-	-	-	-	-	-
<b>Loans</b>	<b>16.85</b>	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	<b>2.15</b>	-	-	-	-	-	-
<b>Other bank balances</b>	<b>29.50</b>	-	-	-	-	-	-
<b>Other financial assets</b>	<b>41.35</b>	-	-	-	-	-	-
<b>Total</b>	<b>1,154.73</b>	<b>1,615.17</b>	-	-	<b>2,220.93</b>	<b>12.45</b>	-
<b>Financial liabilities</b>							
Borrowings	381.95	-	-	-	-	-	-
Trade payables	288.64	-	-	-	-	-	-
Other financial liabilities	343.89	-	-	-	-	-	-
Lease liabilities	12.00	-	-	-	-	-	-
<b>Total</b>	<b>1,026.48</b>	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### Valuation techniques used to determine the fair value of each financial instrument:

#### Fair value of financial instruments classified at amortised cost:

The management assessed that the fair values of cash and bank, loans, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Carrying value of non-current financial liabilities are considered to be same as their fair value due to discounting at rate which are an approximation of incremental borrowing rate.

#### Fair value of financial instruments classified at FVTPL:

These financial instruments consist of investment in quoted equity instruments and units of mutual funds. The fair value of quoted equity instruments is based on the respective quoted price in the active markets as at the measurements date and fair value of investment in mutual funds is determined using the quoted price Net Asset Value ( 'NAV' ) of the respective units in the active market at the measurement date.

#### Fair value of financial instruments classified at FVOCI:

These financial instruments consist of investments in equity instruments. The fair value of quoted equity instruments is based on the respective quoted price in the active markets as at the measurement date. The fair value of investments in unquoted equity shares has been estimated using the net asset method. The valuation requires to consider the cost of replacement of an asset as an indication of the fair market value of that asset.

During the year ended March 31, 2025 and March 31, 2024, there were no transfers between hierarchies of fair value measurements.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments.

## 40 Financial risk management objective and policies

Risk Category	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances, trade receivables and other financial assets.	Ageing analysis, credit ratings	Diversification of bank deposits, portfolio diversification for investments, credit limits.
Liquidity risk	Borrowings, trade payables, lease liabilities and other financial liabilities	Rolling cash flow forecasts	Management ensure that the future cash flow needs are met through cash flow from the operating activities and current borrowings from banks.
Market risk-interest rate risk	No risk since Company has no exposure of long term borrowings	Not applicable	Not applicable
Market risk-currency risk	Recognised financial liabilities not denominated in Indian Rupee	Sensitivity analysis	Natural hedge
Market risk-price risk	Commodity and Investments	Sensitivity analysis	Natural hedge and portfolio diversification respectively

The Company's principal financial liabilities comprise current borrowings, trade payables, lease liabilities and other financial liabilities. The Company's principal financial assets include investments, trade receivables and cash and cash equivalents and other bank balances that arrive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework. The risk management committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies appetite. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## i) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company evaluates credit risk with respect to trade receivables as significantly low, as its payment terms are mostly advance basis.

### a) Trade receivables

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counter party or any group of counter parties having similar characteristics. Trade receivables consist of a large number of customers. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

### b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment, the Company adjust it's exposure to various counterparties. The Company's maximum exposure to credit risk for the other components of balance sheet is the carrying amount as disclosed below:

Particulars	Asset group	Carrying amount net of impairment provision	
		As at March 31 2025	As at March 31 2024
Financial assets for which credit risk has not increased significantly from inception	Investments	4,751.03	4,455.81
	Loans	13.28	16.85
	Other financial assets	27.92	41.35

## ii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

### As at March 31, 2025

Particulars	On demand	< 3 months	3-12 months	1-5 years	Total
Current borrowings	-	221.08	-	-	221.08
Trade payables	71.25	372.91	-	-	444.16
Lease liabilities	-	1.75	5.32	10.34	17.41
Other financial liabilities	28.43	71.52	163.83	0.67	264.45

### As at March 31, 2024

Particulars	On demand	< 3 months	3-12 months	1-5 years	Total
Current borrowings	-	381.95	-	-	381.95
Trade payables	34.85	253.79	-	-	288.64
Lease liabilities	-	0.89	2.73	10.43	14.05
Other financial liabilities	29.24	75.59	238.86	0.20	343.89

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, trade receivables, investments, other financial liabilities.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt, proportion of financial instruments in foreign currencies are all constant at March 31, 2025.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post retirement obligations and provisions Company's activities expose it to variety of financial risks, including effect of changes in foreign currency exchange rate and interest rate.

#### a) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities on account of import of raw materials.

PVC pricing is on import parity and import parity value of sales of the Company exceeds the United States Dollar (USD) payables on a six monthly rolling basis and hence the Company does not generally need to resort to hedging by way of forward contracts, options, etc.

#### Details of foreign currency exposures (unhedged)

Nature of exposure	Currency	As at March 31 2025	As at March 31 2024
<b>Financial liabilities</b>			
Borrowings (Unsecured)	USD	2.59	4.57
Interest on borrowings	USD	0.02	0.04
Trade payables	USD	3.06	1.40
Trade payables	GBP	- #	- #
Trade payables	EURO	0.01	0.01

USD - United States Dollar

GBP - Great Britain Pound

#### Currency wise net exposure (liabilities - assets)

Nature of exposure	Amount in Foreign Currency	
	March 31, 2025	March 31, 2024
USD	5.66	6.00
EURO	0.01	0.01
GBP	- #	- #



# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, GBP and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the profit before tax.

Particulars	March 31, 2025	March 31, 2024
<b>Net hedged exposure in ₹</b>		
USD	484.17	500.58
EURO	0.91	0.54
GBP	0.00 <sup>#</sup>	0.00 <sup>#</sup>

As at	Change in USD rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	24.21	18.12
	-5%	(24.21)	(18.12)
March 31, 2024	+5%	25.03	18.73
	-5%	(25.03)	(18.73)

As at	Change in Euro rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	0.05	0.03
	-5%	(0.05)	(0.03)
March 31, 2024	+5%	0.03	0.02
	-5%	(0.03)	(0.02)

As at	Change in GBP rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
	-5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
March 31, 2024	+5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
	-5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>

<sup>#</sup>Amount is below the rounding off norm adopted by the Company.

## b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has current borrowings with fixed interest rates and hence the future cash-flows of relevant financial instrument are not affected by changes in market interest rate.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### c) Price risk

#### i) Commodity price risk

The Company is affected by the volatility of prices of certain commodity chemicals (Ethylene and PVC) and intermediate products (Ethylene and Ethylene Dichloride ('EDC') and Vinyl Chloride Monomer ('VCM')). Its operating activities involve the ongoing purchase of VCM, EDC, all being petrochemical products for manufacturing of PVC and pipes and fittings and therefore require a continuous supply of these materials. Prices of PVC manufactured by the Company are monitored by the Company's management and are adjusted to respond to change in import parity price of PVC in Indian market. Market price of input and output, generally get adjusted over a period of time. Accordingly, the Company is exposed to the variation in prices over short term period.

#### Commodity price sensitivity

The following table shows the effect of price changes for VCM, Ethylene EDC:

	Change in year-end price	Effect on profit before tax
<b>March 31, 2025</b>		
VCM	+5%	17.29
	-5%	(17.29)
Ethylene	+5%	15.73
	-5%	(15.73)
EDC	+5%	16.73
	-5%	(16.73)
<b>March 31, 2024</b>		
VCM	+5%	19.85
	-5%	(19.85)
Ethylene	+5%	14.73
	-5%	(14.73)
EDC	+5%	16.76
	-5%	(16.76)

#### ii) Equity price risk

The Company's listed and unlisted equity securities are susceptible to market-price risk arising from uncertainties about future values of the investment securities. The equity securities held by the Company are strategic in nature. The Company's Board of Directors reviews and approves all equity investment decisions.

Particulars	March 31, 2025	March 31, 2024
<b>Fair value</b>		
Unquoted equity securities	12.42	12.45
Quoted equity securities	2,027.16	2,221.62

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

	Change in year-end price	Effect on profit before tax	Effect on OCI
<b>March 31, 2025</b>			
Unquoted equity securities	+10%	-	1.24
	-10%	-	(1.24)
Quoted equity securities	+10%	0.07	202.65
	-10%	(0.07)	(202.65)
<b>March 31, 2024</b>			
Unquoted equity securities	+10%	-	1.24
	-10%	-	(1.24)
Quoted equity securities	+10%	0.07	222.09
	-10%	(0.07)	(222.09)

## 41 Capital management

Capital includes equity shares and other equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure its ability to continue as going concern, maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company is not subject to externally imposed capital requirement. The Company manages its capital structure and makes adjustments to maintain efficient financing structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is total debt divided by total capital plus other equity.

Particulars	March 31, 2025	March 31, 2024
Borrowings-Buyer's credit and cash credit	221.08	381.95
<b>Debt</b>	<b>221.08</b>	<b>381.95</b>
Share capital	123.67	123.67
Other equity	5,854.69	5,414.17
<b>Total equity</b>	<b>5,978.36</b>	<b>5,537.84</b>
<b>Debt/equity ratio</b>	<b>3.70%</b>	<b>6.90%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### (Net debt)/surplus reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2025.

Particulars	March 31, 2025	March 31, 2024
Cash and other liquid assets	2,240.99	1,907.56
Current borrowings	(221.08)	(381.95)
<b>Net surplus</b>	<b>2,019.91</b>	<b>1,525.61</b>

Particulars	Other Assets	Liabilities from financing activity	TOTAL
	Cash and cash equivalents	Current borrowings	
(Net debt)/Surplus as on April 01, 2024	1,907.56	(381.95)	1,525.61
Cash Inflow/(outflow)	333.43	160.87	494.30
<b>(Net debt)/Surplus as on March 31, 2025</b>	<b>2,240.99</b>	<b>(221.08)</b>	<b>2,019.91</b>

### 42 Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006 (as amended)

The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the year end has been made in the standalone financial statements based on information received and available with the Company and has been relied upon by the statutory auditor.

Particulars	March 31, 2025	March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end *	10.60	9.85
Principal amount outstanding and overdue out of above	0.63	1.34
Interest due on above	0.07	0.04
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	9.50	4.34
Interest due and payable for overdue payments made during the year	0.42	0.19
Total Interest accrued and remaining unpaid	0.61	0.19
Amount of further interest remaining due and payable in succeeding years	1.09	0.49

\* Mainly includes retention money

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 43 Ratios:

Ratios	Numerator	Denominator	Description	March 31, 2025	March 31, 2024	Variance	Reason for variance
Current ratio	Operating current assets (1)	Current liabilities	The current ratio indicates Company's overall liquidity position	1.28	1.15	11.63%	Refer note below
Debt-equity ratio	Total debt (2)	Shareholders' equity	Debt-to-equity ratio compares Company's total debt to shareholders equity	0.04	0.07	(46.38%)	Debt equity ratio improved due to repayment of debt and improvement in shareholder's equity.
Debt service coverage ratio	Earnings available for debt service (3)	Debt service (4)	Debt service coverage ratio is used to analyse the Company's ability to payoff current interest and instalments	1.99	1.44	38.52%	Refer note below
Return on equity ratio	Profit after tax	Shareholders' equity	It measures the profitability of equity funds invested in the Company	13.01%	8.22%	58.26%	Return on equity has improved owing to increase in profit for the year primarily due to exceptional gain.
Inventory turnover ratio	Cost of goods sold	Average inventory	This ratio measures the efficiency with which a Company utilizes or manages its inventory	3.54	3.91	(9.30%)	Refer note below
Trade receivables turnover ratio	Revenue from operations	Average accounts receivables	This ratio measures the efficiency at which the Company is managing the receivables.	9.90	11.43	(13.43%)	Refer note below
Trade payables turnover ratio	Net Purchases (5)	Average trade payables	This ratio indicates the number of times trade payables have been paid during a period	7.32	9.57	(23.44%)	Refer note below
Net capital turnover ratio	Revenue from operations	Average working capital (6)	This ratio indicates the Company's effectiveness in using its working capital	19.07	93.62	(79.63%)	Net capital turnover ratio decreased due to increase in average working capital deployed in the business.



NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Ratios	Numerator	Denominator	Description	March 31, 2025	March 31, 2024	Variance	Reason for variance
Net profit ratio	Profit after tax	Revenue from operations	This ratio measures the relationship between net profit and sales of the business	18.78%	10.55%	78.08%	Net profit ratio has improved owing to increase in profit for the year primarily due to exceptional gain.
Return on capital employed	Earning before Interest & Tax (EBIT) (7)	Capital employed (8)	Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders	25.59%	34.27%	(25.31%)	The profitability has decreased from last year due to decrease in gross margin on account of decrease in selling price.
Return on investments	Income generated from invested funds	Average invested funds in treasury investments	Return on investment (ROI) is a financial ratio used to calculate the benefit as investor will receive in relation to their investment cost	8.57%	7.73%	10.85%	Refer note below

- (1) Operating current assets = Total current assets - current investments - other bank balances
- (2) Total debt = Current borrowings
- (3) Earnings available for debt service = Profit before tax + finance cost + depreciation and amortisation - other income - exception income
- (4) Debt service = Principal + interest
- (5) Net Purchases = Consumption of Raw materials, Stores & Spares ('RSS') - Opening RSS + Closing RSS
- (6) Working Capital = Operating current assets - current liabilities
- (7) EBIT = Profit before tax + finance cost - other income - exception income
- (8) Capital employed = Total assets - non current investment - current investment - fixed deposits - current liabilities

**Note:**  
Since the variation is less than 25%, no explanation is required to be furnished.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 44 Disclosure pursuant to Ind AS 116

- (a) The Company as a lessee has obtained certain assets such as immovable properties on leasing arrangements for the purposes of manufacturing and storage facilities. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a corresponding lease liability. Variable lease payment which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Company has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Company to sub-lease the asset to another party, the right-of-use asset can only be used by the Company. Some lease contain an option to extend the lease for a further term.
- (b) **Additional information on extension/ termination options:** Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on consent of the Company.
- (c) There are no leases which are yet to commence as on March 31, 2025 and as on March 31, 2024.
- (d) Lease payments, not included in measurement of liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	March 31, 2025	March 31, 2024
Short-term leases	4.60	2.01
Cancellable leases	-	-
Variable lease payments	-	-
	<b>4.60</b>	<b>2.01</b>

- As at March 31, 2025, the Company was committed to short-term leases and the total commitment at that date was ₹ 9.25 Crore (March 31, 2024: ₹ 10.18 Crore).
- Total cash outflow for leases for the year ended March 31, 2025 is ₹ 11.39 Crore (March 31, 2024: ₹ 5.45 Crore).

- (e) Total undiscounted future lease payments relating to underlying leases are as follows:

Particulars	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>As at March 31, 2025</b>					
Lease payments	7.07	7.43	2.91	-	17.41
<b>As at March 31, 2024</b>					
Lease payments	3.62	3.80	6.63	-	14.05

## NOTES TO STANDALONE FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### (f) Amount recognised in the statement of balance sheet:

Particulars	March 31, 2025	March 31, 2024
<b>(i) Right-of-use assets</b>		
Leased premises and buildings	16.00	13.17
<b>Total</b>	<b>16.00</b>	<b>13.17</b>
<b>(ii) Lease liabilities</b>		
Non-current	9.50	9.54
Current	6.17	2.46
<b>Total</b>	<b>15.67</b>	<b>12.00</b>

### (g) Amount recognised in the standalone statement of profit and loss:

Particulars	March 31, 2025	March 31, 2024
(i) Depreciation expense	6.18	3.42
(ii) Interest expense (included in finance cost)	1.46	1.13
<b>Total</b>	<b>7.64</b>	<b>4.55</b>

### (h) Information about extension and termination options (except short-term leases)

Right-of-use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Building premises and other storage facilities	3	3	2	3	0	3

### 45 Utilization of borrowed funds:

During the years ended March 31, 2025 and March 31, 2024:

(i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 46 Undisclosed income:

There are no transactions that have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

### 47 Details of crypto currency or virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current year and previous year.

### 48 Transactions with struck-off companies:

The Company does not have any transaction or outstanding balance with struck-off companies under section 248 of the Act or section 560 of Companies Act, 1956, during current and previous year.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

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(All amounts in ₹ Crore, unless otherwise stated)

## 49 Registration/satisfaction of charges with Registrar:

There are no charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period in the current as well as in the previous year.

## 50 Compliance on number of layers:

The Company has complied with the number of layers prescribed under section 2(87) of the Act.

## 51 Revaluation of property, plant and equipment and intangible assets :

The Company have not revalued its property, plant and equipment and intangible assets during the current year and previous year.

## 52 Compliance on scheme of arrangement:

The Company covered under the Act has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act during the current year and previous year.

## 53 Recording audit trail:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses the accounting software SAP for maintaining its books of account. During the year ended 31 March 2025, the Company had not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same would consume storage space on the disk and can impact database performance significantly. The users of the Company do not have any access to database IDs with DML (Data Manipulation Language) authority which can make direct data changes (create, change, delete) at database level. Audit trail (edit log) is enabled at the application level.

## 54 Previous year comparatives:

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classifications / disclosures. The impact of such regroupings/ reclassifications are not material to the standalone financial statements.

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these standalone financial statements.

As per our report of even date.

**For and behalf of the Board of Directors of Finolex Industries Limited**

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**Saurabh S. Dhanorkar**

Managing Director

DIN: 00011322

**Vijay Bhatt**

Director

DIN: 00751001

**Place:** Mumbai

**Date:** May 23, 2025

**Dakshinamurthy Iyer**

Company Secretary

**Chandan Verma**

Chief Financial Officer

**Place:** Mumbai

**Date:** May 23, 2025

INDEPENDENT AUDITOR’S REPORT

To the Members of Finolex Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

- 1. We have audited the accompanying consolidated financial statements of Finolex Industries Limited ('the Holding Company') and its associates, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
- 2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Holding Company and its associates, as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.
- 5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Basis for Opinion

- 3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

- 4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the associates, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of inventories</b>  At the balance sheet date 31 March 2025, the Holding Company held inventories comprising of raw materials and components, finished goods, work-in-progress aggregating to ₹ 782.42 crores as disclosed in note 8 to the accompanying consolidated financial statements of the Holding Company. Such inventories are carried at cost or net realisable value, whichever is lower, as per the accounting policy disclosed in note 2.7 to the aforesaid consolidated financial statements.	<b>Our audit procedures related to valuation of inventory included, but were not limited, to the following:</b> <ul style="list-style-type: none"><li>Assessed the appropriateness of the Holding Company's accounting policy and valuation method of inventory in accordance with Ind AS 2.</li><li>Evaluated the design and tested the operating effectiveness of key controls (including IT automated controls) around purchase of inventory, valuation of inventory, computation of overhead, and determination of net realisable value of inventory items.</li><li>Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business.</li></ul>



Key audit matter	How our audit addressed the key audit matter
<p>Cost of inventory comprises of cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.</p> <p>Determination of cost of conversion includes costs directly related to production of units and also includes a systematic allocation of various fixed and variable production overheads to convert raw material into finished goods. Fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities and variable production overheads are allocated to each unit of production based on the actual use of the production facilities, in accordance with the principles of Ind AS 2, Inventories ('Ind AS 2'), which involves management judgement and estimation.</p> <p>Further, at the end of each reporting period, the management of the Holding Company also assesses whether the carrying value of inventory is in excess of amounts expected to be realised from their sale or use and in such cases, inventories are written down to their net realisable value in accordance with Ind AS 2.</p> <p>Considering the abovementioned complexities and materiality of amounts and management judgement involved, valuation of inventory matter is considered to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>Understood and assessed the management process of determining overhead absorption rates applied by verifying the appropriateness of underlying variables used such as cost data, normal production capacity, actual production data, bill of materials and stage of production.</li> <li>Verified the expenses considered as cost of conversion including estimates for apportionment of such conversion cost to different classes of finished goods and work in progress and ensured arithmetical accuracy of such workings.</li> <li>Performed substantive testing for samples of raw materials purchase transactions recorded during the year, and purchase transactions recorded before and after the year end, to ensure such purchases are booked accurately and in the correct period, by verifying the underlying documents for such selected samples, which included contracts, purchase orders, invoices, shipping documents such as lorry receipts, etc.</li> <li>Obtained understanding of management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied. Tested ageing of inventory items obtained through system reports, as applicable.</li> <li>Recomputed the net realisable value of the finished goods on a sample basis and ensured the inventory is carried at lower of cost or net realizable value as per Ind AS 2.</li> <li>Performed analytical procedures on current year cost of goods sold based on product-wise gross profit margin analysis, and where appropriate, conducted further enquiries and testing.</li> <li>Assessed that the disclosures made in the accompanying consolidated financial statements is in accordance with the applicable accounting standards.</li> </ul>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

- The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information

and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company including its associates in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Holding Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial statements, the respective Board of Directors of the Holding Company and of its associates are responsible for assessing the ability of the Holding Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Holding Company and of its associates.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associates to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its associates, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

15. The consolidated financial statements also include the Holding Company's share of net profit (including other comprehensive income) of ₹ 30.10 crore for the year ended 31 March 2025 in respect of two associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid associates, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the associates, we report that the Holding Company, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one associate incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such associate.

Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the other associate incorporated in India whose financial statements have been audited under the Act, since it is not a public company as defined under section 2(71) of the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the associates incorporated in India whose financial statements have been audited under 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 purpose of our audit of the aforesaid consolidated financial statements;
  - b) Except for the matter stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its associates, covered under the Act, none of the directors of the Holding Company and its associates, are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associates covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure 2' wherein we have expressed an unmodified opinion; and
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the associates incorporated in India whose financial statements have been audited under the Act:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associates as detailed in note 38.2 to the consolidated financial statements;
    - ii. The Holding Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associates during the year ended 31 March 2025;
- iv.
  - a. The respective managements of the Holding Company and its associates incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, as disclosed in note 46 (i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its associates to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such associates ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The respective managements of the Holding Company and its associates incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, as disclosed in the note 46 (ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its associates from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such associates shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed by us and that performed by the auditors of the associates, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The final dividend paid by the Holding Company and one of its associate during the year ended 31 March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.  
  
As stated in note 15 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company and one of its associate have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. As stated in note 53 to the consolidated financial statements and based on our examination which included test checks and that performed by the other auditor of the associate, except for matters mentioned below, the Holding Company and its associate, in respect of financial year commencing on 1 April 2024, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and the other auditor of the associate did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, except for matters mentioned below the audit trails have been preserved by the Holding Company and its associate as per the statutory requirements for record retention.



Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software (SAP) to log any direct data changes, used for maintenance of all accounting records by the Holding Company.
Instances of accounting software for maintaining books of account which did not have a feature of recording audit trail (edit log) facility.	The accounting software (Sensys) and the spreadsheets used for the maintenance of payroll records of an associate did not have a feature of recording audit trail (edit log) facility.
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level.	The accounting software (TCS iON) used for maintenance of accounting records by an associate is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we and respective auditors of the above referred associate are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**UDIN:** 25058644BMODKY6424

**Place:** Mumbai

**Date:** 23 May 2025

# ANNEXURE 1

## List of associates included in the Consolidated Financial Statements:

1. Finolex Plasson Industries Private Limited
2. Pawas Port Limited

## ANNEXURE 2

### **Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the consolidated financial statements of Finolex Industries Limited (the 'Holding Company') and its associates, as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its associate companies, which are companies covered under the Act, as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its associate companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the financial statements criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the respective company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its associate companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the

Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its associate companies as aforesaid.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

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

prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

### **Opinion**

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to the financial statements of the associate companies, the Holding Company and its associate companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements

and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matter**

9. The consolidated financial statements includes the Holding Company's share of net profit (including other comprehensive income) of ₹ 30.10 crore for the year ended 31 March 2025, in respect of two associate companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such associate companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its associate companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such associate companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**UDIN:** 25058644BMODKY6424

**Place:** Mumbai

**Date:** 23 May 2025

# CONSOLIDATED BALANCE SHEET

as at March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Note no	March 31, 2025	March 31, 2024
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3.1	987.10	1,041.08
(b) Right-of-use assets	3.2	16.00	13.17
(c) Capital work-in-progress	3.3	73.17	18.87
(d) Intangible assets	3.4	5.30	1.12
(e) Investment in associates accounted using equity method	4.1	166.16	137.63
(f) Financial assets			
i) Investments	4	2,599.43	2,543.16
ii) Loans	5	0.01	0.02
iii) Other financial assets	6	27.23	39.65
(g) Income-tax assets (net)	24	5.08	21.46
(h) Other non-current assets	7	26.62	39.42
<b>Total non-current assets</b>		<b>3,906.10</b>	<b>3,855.58</b>
<b>2 Current assets</b>			
(a) Inventories	8	782.42	728.03
(b) Financial assets			
i) Investments	9	2,144.05	1,905.15
ii) Trade receivables	10	379.25	457.63
iii) Cash and cash equivalents	11.1	44.39	2.15
iv) Bank balances other than (iii) above	11.2	80.97	29.50
v) Loans	12	13.27	16.83
vi) Other financial assets	13	0.69	1.70
(c) Other current assets	14	30.79	58.40
<b>Total current assets</b>		<b>3,475.83</b>	<b>3,199.39</b>
<b>Assets classified as held for sale</b>	3.5	-	2.88
<b>Total assets</b>		<b>7,381.93</b>	<b>7,057.85</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	15	123.67	123.67
(b) Other equity	16	5,973.20	5,510.60
<b>Total equity</b>		<b>6,096.87</b>	<b>5,634.27</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
i) Lease liabilities	17	9.50	9.54
ii) Other financial liabilities	18	0.67	0.20
(b) Provisions	19	17.12	23.30
(c) Deferred tax liabilities (net)	24	239.13	233.41
(d) Government grants	20	40.98	53.60
<b>Total non-current liabilities</b>		<b>307.40</b>	<b>320.05</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
i) Borrowings	21	221.08	381.95
ii) Lease liabilities	17	6.17	2.46
iii) Trade payables	22		
-total outstanding dues of micro enterprises and small enterprises; and		10.60	9.85
-total outstanding dues of creditors other than micro enterprises and small enterprises		433.56	278.79
iv) Other financial liabilities	18	263.78	343.69
(b) Other current liabilities	23	19.99	69.65
(c) Provisions	19	9.86	4.47
(d) Current tax liabilities (net)		-	0.05
(e) Government grants	20	12.62	12.62
<b>Total current liabilities</b>		<b>977.66</b>	<b>1,103.53</b>
<b>Total liabilities</b>		<b>1,285.06</b>	<b>1,423.58</b>
<b>Total equity and liabilities</b>		<b>7,381.93</b>	<b>7,057.85</b>

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these consolidated financial statements.

As per our report of even date.

For and behalf of the Board of Directors of Finolex Industries Limited

For Walker Chandiok &amp; Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

Rajni Mundra

Partner

Membership No.: 058644

Place: Mumbai

Date: May 23, 2025

Saurabh S. Dhanorkar

Managing Director

DIN: 00011322

Dakshinamurthy Iyer

Company Secretary

Place: Mumbai

Date: May 23, 2025

Vijay Bhatt

Director

DIN: 00751001

Chandan Verma

Chief Financial Officer



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Note no	Year ended March 31, 2025	Year ended March 31, 2024
<b>INCOME</b>			
I Revenue from operations	25	4,141.97	4,317.43
II Other income	26	246.63	179.95
III <b>Total income (I+II)</b>		<b>4,388.60</b>	<b>4,497.38</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	27	2,621.95	2,744.92
Purchase of stock-in-trade		28.62	31.99
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	25.49	(40.00)
Employee benefits expense	29	222.28	211.39
Finance costs	30	29.64	36.45
Depreciation and amortisation expenses	31	106.71	116.02
Other expenses	32	767.83	784.28
<b>Total expenses (IV)</b>		<b>3,802.52</b>	<b>3,885.05</b>
<b>V Profit before exceptional item, share of net profit of investment in an associates accounted for using equity method and tax (III-IV)</b>		586.08	612.33
VI Exceptional item	33	416.99	-
<b>VII Profit before share of net profit of investment in an associates accounted for using equity method and tax (V+VI)</b>		<b>1,003.07</b>	<b>612.33</b>
VIII <b>Share of profit of investment in an associates accounted for using equity method</b>		40.17	38.22
<b>Profit before tax (VII+VIII)</b>		1,043.24	650.55
<b>IX Tax expense</b>			
Current tax	24	225.91	157.88
Tax pertaining to earlier year(s)		(0.01)	(0.31)
Deferred tax charge	24	17.31	19.39
<b>Total tax expense</b>		<b>243.21</b>	<b>176.96</b>
<b>X Profit for the year*</b>		<b>800.03</b>	<b>473.59</b>
<b>XI Other comprehensive Income (OCI)</b>			
<b>A Items that will not be reclassified to profit or loss</b>			
Re-measurement of defined benefit plans		(0.80)	(3.27)
Income-tax effect on above	24	0.18	0.81
<b>A(i) Re-measurement of defined benefit plans, net of income-tax</b>		<b>(0.62)</b>	<b>(2.46)</b>
Fair value changes in equity instruments through OCI		(194.49)	418.07
Income-tax effect on above	24	12.27	(65.25)
<b>A(ii) (Loss) / gain on equity instruments measured at fair value through OCI, net of income-tax</b>		<b>(182.22)</b>	<b>352.82</b>
<b>Total other comprehensive (loss)/income* [A(i)+A(ii)]</b>		<b>(182.84)</b>	<b>350.36</b>
<b>XII Total comprehensive income for the year* (X+XI)</b>		<b>617.19</b>	<b>823.95</b>
<b>XIII Earnings per equity share having nominal value per share of ₹ 2 each per share</b>	34		
Basic (₹)		12.94	7.66
Diluted (₹)		12.94	7.66

\* Profit for the year, total other comprehensive (loss)/ income and total comprehensive income for the year are entirely attributable to the owners of the Holding Company

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these consolidated financial statements.

As per our report of even date.

**For and behalf of the Board of Directors of Finolex Industries Limited**

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**Place:** Mumbai

**Date:** May 23, 2025

**Saurabh S. Dhanorkar**

Managing Director

DIN: 00011322

**Dakshinamurthy Iyer**

Company Secretary

**Place:** Mumbai

**Date:** May 23, 2025

**Vijay Bhatt**

Director

DIN: 00751001

**Chandan Verma**

Chief Financial Officer

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>I Cash flows from operating activities</b>		
Profit before tax	1,043.24	650.55
<b>Adjustments for</b>		
Share of profit from associates before tax	(40.17)	(38.22)
Exceptional item	(416.99)	-
Depreciation and amortisation expenses	106.71	116.02
Liabilities written back (net)	(0.22)	(1.91)
Net gain on sale of current investments (mutual funds) classified as FVTPL	(85.14)	(61.75)
Net gains on fair value changes on investment classified as FVTPL	(62.11)	(56.78)
Loss on disposal of property, plant and equipment (net)	0.34	0.52
Dividend income	(17.77)	(15.56)
Unwinding of government grant income	(12.61)	(12.62)
Interest income	(78.61)	(33.05)
Unrealised exchange fluctuation (gain)/loss (net)	(6.50)	2.05
Finance costs	29.64	36.45
<b>Operating profit before working capital changes</b>	<b>459.81</b>	<b>585.70</b>
<b>Changes in operating assets and liabilities</b>		
Inventories	(54.39)	(54.88)
Trade receivables	78.38	(160.08)
Loans	4.03	6.65
Other financial assets	4.93	0.83
Other current assets	53.33	2.10
Government grants (net)	8.49	2.38
Trade payables	158.74	0.77
Provisions	(1.49)	1.95
Other financial liabilities	(80.76)	94.34
Other current liabilities	(49.66)	18.32
<b>Cash generated from/(used in) from working capital changes</b>	<b>121.60</b>	<b>(87.62)</b>
Less - Income-tax paid	(198.73)	(144.78)
<b>Net cash generated from operating activities</b>	<b>382.68</b>	<b>353.30</b>
<b>II Cash flow from investing activities</b>		
Payment for purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(115.50)	(86.35)
Proceeds from sale of assets classified as held for sale	419.87	-
Proceeds from disposal of property, plant and equipment	0.36	0.33
Investments purchased (net)	(316.45)	(67.66)
Dividend income received	19.39	16.72
(Investments in)/ redemption of fixed deposits (net)	(48.92)	22.55
Interest income received	49.59	31.44
<b>Net cash generated/(used in) investing activities</b>	<b>8.34</b>	<b>(82.97)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>III Cash flow from financing activities</b>		
Finance costs paid	(29.78)	(34.52)
Repayment of short-term borrowings (net)	(157.61)	(146.03)
Payment of principal portion of lease liabilities	(5.33)	(2.31)
Payment of interest on lease liabilities	(1.46)	(1.13)
Dividend paid	(154.60)	(92.75)
<b>Net cash used in financing activities</b>	<b>(348.78)</b>	<b>(276.74)</b>
<b>IV Net increase / (decrease) in cash and cash equivalents at the end of the year (I+II+III)</b>	<b>42.24</b>	<b>(6.41)</b>
V Cash and cash equivalents at the beginning of the year	2.15	8.56
<b>VI Cash and cash equivalents at the end of the year (IV+V)</b>	<b>44.39</b>	<b>2.15</b>

## Components of cash and cash equivalents (refer note 11.1)

Particulars	March 31, 2025	March 31, 2024
<b>Balances with banks:</b>		
In current accounts	13.80	2.06
Deposits with original maturity of less than three months	30.51	-
Cash on hand	0.08	0.09
<b>Total</b>	<b>44.39</b>	<b>2.15</b>

## Notes:

- The above statement of cash flows has been prepared under the indirect method set out in the Indian Accounting standard (Ind AS) 7, 'Statement of Cash Flows'.
- Refer note 21 for reconciliation of cash flows from financing activities as required under Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these consolidated financial statements.

As per our report of even date.

**For and behalf of the Board of Directors of Finolex Industries Limited**

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No. 001076N/N500013

**Rajni Mundra**  
Partner  
Membership No.: 058644

**Saurabh S. Dhanorkar**  
Managing Director  
DIN: 00011322

**Vijay Bhatt**  
Director  
DIN: 00751001

**Place:** Mumbai  
**Date:** May 23, 2025

**Dakshinamurthy Iyer**  
Company Secretary

**Chandan Verma**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** May 23, 2025

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## A. Equity share capital (refer note 15)

### March 31, 2025

Particulars	Opening balance as at April 1, 2024	Change during the year	Closing balance as at March 31, 2025
Issued, subscribed and fully paid equity shares of ₹ 2 each	123.67	-	123.67

### March 31, 2024

Particulars	Opening balance as at April 1, 2023	Change during the year	Closing balance as at March 31, 2024
Issued, subscribed and fully paid equity shares of ₹ 2 each	123.67	-	123.67

## B. Other equity (refer note 16)

		Reserves and surplus					Total
		General reserve	Securities premium	Capital redemption reserve	Retained earnings	Equity instruments measured at fair value through other comprehensive income	
I	Balance as at April 1, 2023	394.50	151.27	25.18	3,038.64	1,169.81	4,779.40
II	Profit for the year	-	-	-	473.59	-	473.59
III	Other comprehensive income (net of tax)	-	-	-	(2.46)	352.82	350.36
IV	Total comprehensive income for the year (II+III)	-	-	-	471.13	352.82	823.95
Transactions with the owners of the Holding Company							
Distributions							
V	Dividend	-	-	-	(92.75)	-	(92.75)
VI	Balance as at March 31, 2024 (I+IV+V)	394.50	151.27	25.18	3,417.02	1,522.63	5,510.60
VII	Profit for the year	-	-	-	800.03	-	800.03
VIII	Other comprehensive income (net of tax)	-	-	-	(0.62)	(182.22)	(182.84)
IX	Total comprehensive income for the year (VII+VIII)	-	-	-	799.41	(182.22)	617.19
Transactions with the owners of the Holding Company							
Distributions							
X	Dividend	-	-	-	(154.60)	-	(154.60)
XI	Balance as at March 31, 2025 (VI+IX+X)	394.50	151.27	25.18	4,061.83	1,340.41	5,973.20

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these consolidated financial statements.

As per our report of even date.

For and behalf of the Board of Directors of Finolex Industries Limited

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No. 001076N/N500013

**Rajni Mundra**

Partner

Membership No.: 058644

**Saurabh S. Dhanorkar**

Managing Director

DIN: 00011322

**Vijay Bhatt**

Director

DIN: 00751001

**Place:** Mumbai**Date:** May 23, 2025**Dakshinamurthy Iyer**

Company Secretary

**Chandan Verma**

Chief Financial Officer

**Place:** Mumbai**Date:** May 23, 2025

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## 1. Corporate information

The consolidated financial statements comprise financial statements of Finolex Industries Limited ('the Holding Company') and its associates, Finolex Plasson Industries Private Limited and Pawas Port Limited, as at and for the year ended March 31, 2025. The Holding Company is domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956 and its equity shares are listed on BSE Limited and the National Stock Exchange of India. Its registered office is situated at Gat No.399, Village Urse, Taluka Maval, District Pune – 410506, Maharashtra, India. The Holding Company is engaged in the business of manufacturing PVC pipes & fittings and PVC resin. The Holding Company has manufacturing facilities in the states of Maharashtra and Gujarat.

Finolex Plasson Industries Private Limited is a company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956 and is engaged in manufacturing of micro irrigation systems, fittings, accessories and range of irrigation components and offers a wide range of products suitable for different sectors of agricultural activity.

Pawas Port Limited is also a company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956 and is engaged in civil construction and infrastructure development.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation

The consolidated financial statements comprise of the consolidated balance sheet as at March 31, 2025, consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flows and consolidated changes in equity for year ended March 31, 2024 and notes to the consolidated financial statements including material accounting policy information and other explanatory information (hereinafter collectively referred to as 'consolidated financial statements'). The consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 (the 'Act') and the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. All amounts included in the consolidated financial statements are reported in Indian Rupees ('INR') in Crore, unless otherwise stated.

(All amounts in ₹ Crore, unless otherwise stated)

The consolidated financial statements were approved and were authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

### 2.2 Basis of measurement

The consolidated financial statements have been prepared on going concern basis using accrual method of accounting and historical cost convention, except for:

- (i) certain financial assets and financial liabilities that are measured at fair value or amortised cost in accordance with Ind AS.
- (ii) defined benefit plans - plan assets measured at fair value.

The accounting policies have been consistently applied, unless otherwise stated.

### 2.3 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees ('INR' or '₹') which is the Holding Company's functional currency.

Amounts in the consolidated financial statements are presented in ₹ in Crore rounded off to two decimal places as permitted by Schedule III to the Act, unless otherwise stated.

### 2.4 Current or non-current classification

The Holding Company presents assets and liabilities in the consolidated balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non - current.

A liability is classified as current when it is:

- a. Expected to be settled in normal operating cycle
- b. Held primarily for the purpose of trading



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

- c. Due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non - current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Holding Company and its associates have identified twelve months as their operating cycle.

## 2.5 Critical accounting judgements, estimates and assumptions

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods. These estimates are reviewed regularly and any change in estimates are adjusted prospectively.

In the process of applying the Holding Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the consolidated financial statements:

### Judgements

#### Government grant/ subsidy

The Holding Company was entitled to receive Industrial Promotion Subsidy under the Package Scheme of Incentives, for the period from April 1, 2011 to March 31, 2023. The aforesaid subsidy is in relation to investment in property, plant and equipment at Ratnagiri plant. Accordingly, the same has been classified as grant related to assets and the Holding Company recognises the revenue from grant over the remaining useful life of the property, plant and equipment, from the date on which the Holding Company is entitled to receive

(All amounts in ₹ Crore, unless otherwise stated)

such grants.

### Estimates

#### Defined benefit plan

The cost of defined benefit gratuity plan and present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. All assumption are reviewed at each reporting date.

The most sensitive parameter is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are mainly based on expected future inflation rates for the country.

#### Useful lives of property, plant and equipment and intangible assets:

The determination of depreciation and amortisation charge depends on the useful lives for which judgements and estimations are required. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Claims, provisions and contingent liabilities:

The Holding Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## Fair value measurement of financial instruments:

Some of the Holding Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Holding Company uses market-observable data to the extent it is available. Where Level 1 inputs i.e., market-observable inputs are not available, the Holding Company engages third party valuers, where required, to perform the valuation.

## Impairment of financial assets:

The impairment allowance for financial assets are based on assumptions about risk of default and expected cash loss rates. The Holding Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Holding Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

## Deferred tax:

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

## 2.6 Investment in associates and principles of consolidation

An associate is an entity over which the Holding Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Holding Company's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Holding Company's share of net assets of the associates, since the acquisition date. Goodwill relating to the associates is included in the carrying amount of the investment and is not tested for impairment individually.

(All amounts in ₹ Crore, unless otherwise stated)

The statement of profit and loss reflects the Holding Company's share of the results of operations of the associates. Any change in other comprehensive income of those investees is presented as part of the Holding Company's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associates, the Holding Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Holding Company and the associates are eliminated to the extent of the interest in the associates.

The aggregate of the Holding Company's share in profit or loss of the associates is shown on the face of the statement of profit and loss.

The financial statements of the associates are prepared for the same reporting period as the Holding Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Holding Company.

After application of the equity method, the Holding Company determines whether it is necessary to recognise an impairment loss on its investment in the associates. At each reporting date, the Holding Company determines whether there is objective evidence that the investment in any of the associate is impaired. If there is such evidence, the Holding Company calculates the amount of impairment as the difference between the recoverable amount of such associate and its carrying value, and then recognises the loss as 'Share of profit or loss in associates' in the statement of profit or loss.

Upon loss of significant influence over any associate, the Holding Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of such associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit or loss.

Intercompany transactions, balances and unrealized gains on transactions between the Holding Company and associates are eliminated. The consolidated financial statements are prepared using uniform accounting policy for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in the Consolidated Financial Statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

List of associates included in the consolidated financial statements:

Name of the associate	Country of incorporation	% holding as at March 31, 2025	% holding as at March 31, 2024
Finolex Plasson Industries Private Limited (FPIPL)	India	46.35%	46.35%
Pawas Port Limited (PPL)	India	49.99%	Refer note below

Note - The Holding Company has consolidated its equity interest in PPL per Ind AS 28 for the first time in this financial year being an immaterial associate and hence comparative information has not been furnished.

## 2.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials and traded goods Purchase cost on a moving weighted average basis and inward transportation. Refundable indirect taxes and discounts are excluded from cost.
- Finished goods and work in progress Cost of direct raw materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 2.8 Fair value measurements

The Holding Company measures financial instruments, such as non-current and current investments, at fair value, at each balance sheet date.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted market prices, when available, are used as the measure of fair value. In cases where quoted market prices are not available, fair values are determined using present value estimates or other valuation techniques which maximise the use of relevant observable inputs and minimize the use of unobservable inputs, for example, the present value of estimated expected future cash flows using discount rates commensurate with the risks involved. Fair value estimation techniques normally incorporate assumptions that market participants would use in their estimates of values, future revenues, and future expenses, including

assumptions about interest rates, default, prepayment and volatility. Because assumptions are inherently subjective in nature, the estimated fair values cannot be substantiated by comparison to independent market quotes and, in many cases, the estimated fair values would not necessarily be realised in an immediate sale or settlement of the instrument.

The financial instruments carried at fair value are categorized under the three levels of the Ind AS fair value hierarchy as follows:

**Level 1:** Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Holding Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs). These inputs reflect the Holding Company's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available in the circumstances, which include the Holding Company's own data. The Holding Company's own data used to develop unobservable inputs is adjusted if information indicates that market participants would use different assumptions.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Holding Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

For the purpose of fair value disclosures, the Holding Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## 2.9 Property, plant and equipment ('PPE')

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work-in-progress comprises cost of property, plant and equipment that are not yet installed and not ready for their intended use at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed as capital advances under 'Other non-current assets'.

### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Holding Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the consolidated statement of profit and loss as incurred.

### Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised on net basis within other income/ other expenses in the consolidated statement of profit and loss.

(All amounts in ₹ Crore, unless otherwise stated)

### Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the consolidated statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Act or technical evaluation, which are as follows:

Asset	Useful life (in years)
Plant and equipment (including moulds and dies)	3 to 25
Buildings	5 to 60
Factory building	30
Furniture and fixtures	10
Office equipment	5
Vehicles	8 to 13

In the case of Captive Power Plant, the management, based on a technical evaluation, has estimated the life of asset to be 25 years which is lower than the life prescribed in Schedule II. Also, in case of moulds and water works, management has estimated a lower life than prescribed in Schedule – II based on technical evaluation.

The management undertakes a review of the residual values, useful lives and methods of depreciation of property, plant and equipment at the end of each reporting period and any adjustments to useful lives is accounted for prospectively as a change in accounting estimate.

## 2.10 Intangible assets and amortisation

### Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Holding Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Holding Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Holding Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

### Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Intangible assets developed or acquired with finite useful life are amortized on straight line basis over the useful life as specified below:

Asset	Useful life (in years)
Computer Software and Licenses	3 to 6

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

## 2.11 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer based on delivery terms i.e. when the customer is able to direct the use of the transferred goods or rendering of services and obtains substantially all of the remaining benefits at an amount that reflects the consideration entitled in exchange for those goods or services. The Holding Company is generally the principal as it typically controls the goods or services before transferring them to the customer. A receivable is recognised by the Holding Company when the control is transferred as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required. No significant element of financing is deemed present as the sales are either made with a credit period of not exceeding 60 days. The management has ascertained that the credit period is as per normal industry practices and is not intended to finance the customers.

The specific recognition criteria described below must also be met before revenue is recognised.

### Sale of goods

Revenue from sale of goods is recognised when the significant control of the goods have passed to the buyer, usually when goods are dispatched or on delivery, as per the terms of sale. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on

(All amounts in ₹ Crore, unless otherwise stated)

account of various discounts and schemes offered by the Holding Company as part of the contract.

## Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss.

The Holding Company presents interest income on financial assets at fair value through profit or Loss separately from fair value changes on such financial assets.

## Dividends

Revenue is recognised when the Holding Company's right to receive the payment is established, which is in the year when shareholders approve the dividend.

## 2.12 Foreign currency transactions:

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

### Transactions and balances

Transactions in foreign currencies are recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 2.13 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an item of expense, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant.

## 2.14 Taxes

Tax comprises current and deferred tax. Income-tax expense is recognised in the consolidated statement of profit and loss except to the extent it relates to items directly recognised in equity or in OCI. The income-tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income-tax rate under the Income-tax Act, 1961 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. In which case, the tax is also recognised in other comprehensive income or equity.

### Current income-tax

Current income-tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.15 Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

A lessee is required to recognise assets and liabilities for all leases with a term that is greater than twelve months, unless the underlying asset is of low value, and to recognise depreciation of leased assets separately from interest on lease liabilities in the consolidated statement of profit and loss.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## Initial measurement

### Right-of-use assets

At the commencement date, the Holding Company measures the right-of-use assets at cost. The cost of the right-of-use assets comprise:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

### Lease liabilities

At the commencement date, the Holding Company measures the lease liabilities at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Holding Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Holding Company under residual value guarantees;
- the exercise price of a purchase option if the Holding Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

(All amounts in ₹ Crore, unless otherwise stated)

## Subsequent measurement

### Right-of-use assets

Subsequently the Holding Company measures the right-of-use assets at cost less any accumulated depreciation and any accumulated impairment losses.

### Lease liabilities

Subsequently the Holding Company measures the lease liabilities by:

- increasing the carrying amount to reflect interest on the lease liability at the interest rate implicit in the lease, if that rate can be readily determined or the Holding Company's incremental borrowing rate.
- reducing the carrying amount to reflect the lease payments made; and
- re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Lease liabilities and right-of-use assets have been separately presented in the consolidated balance sheet and lease payments have been classified as financing cash flows.

## 2.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 2.16.1 Financial assets

#### Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not classified as fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are recognised in the consolidated balance sheet when the Holding Company becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of financial assets shall be recognised using trade date or settlement date accounting.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- At amortised cost
- At fair value through other comprehensive income ('FVOCI')

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

c) At fair value through profit or loss ('FVTPL')

## (a) Financial assets classified as measured at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR method. The EIR amortisation is included in finance expense/ other income in the consolidated statement of profit and loss. The losses arising from impairment are recognised in the consolidated statement of profit and loss.

This category generally applies to trade receivables, loans, certain investments, security and other deposits, and other financial assets held by the Holding Company.

## (b) Financial assets classified as measured at FVOCI

A financial asset shall be measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognised or reclassified, are subsequently measured at fair value with unrealised gains or losses recognised in OCI except for interest income, impairment gains or losses and foreign exchange gains and losses which are recognised in the consolidated statement of profit and loss.

(All amounts in ₹ Crore, unless otherwise stated)

On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of profit and loss.

## (c) Financial assets classified as measured at FVTPL

A Financial asset is to be measured at FVTPL, unless it is measured at amortised cost or at FVOCI. The Holding Company classifies all equity or puttable financial instruments held for trading as measured at FVTPL. Such instruments are measured at fair value at initial recognition as well as at each reporting date. The fair value changes are recognised in the consolidated statement of profit and loss. Further, the Holding Company may make an irrevocable election to designate a financial asset as FVTPL, at initial recognition, to reduce or eliminate a measurement or recognition inconsistency.

### De-recognition

The Holding Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Holding Company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset

### Impairment of financial assets

The Holding Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets measured at amortised cost
- Financial assets measured at FVOCI, except investments in equity instruments designated as such by the Holding Company.
- Trade receivables

The Holding Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the Holding Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

## Reclassification of financial assets

The Holding Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Holding Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Holding Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Holding Company either begins or ceases to perform an activity that is significant to its operations. If the Holding Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Holding Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## 2.16.2 Financial liabilities

### Initial recognition and measurement

Financial liabilities are recognised initially at fair value net of, in the case of financial liabilities not classified as measured at FVTPL, transaction costs that are attributable to the issue of the financial liability. Financial liabilities are recognised in the consolidated balance sheet when the Holding Company becomes a party to the contractual provisions of the instrument.

### (d) Financial liabilities classified as measured at FVTPL

Financial liabilities classified as measured at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Holding Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of

(All amounts in ₹ Crore, unless otherwise stated)

profit and loss. Financial liabilities designated as such upon initial recognition at the initial date of recognition, if the criteria in Ind AS 109, 'Financial Instruments' are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the consolidated statement of profit and loss. However, the Holding Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liabilities are recognised in the consolidated statement of profit and loss.

The Holding Company has not designated any financial liability measured at FVTPL.

### (e) Financial liabilities classified as measured at amortised cost

This is the most relevant category to the Holding Company. The Holding Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

### De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 2.17 Impairment of non-financial assets

The Holding Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Holding Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## 2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, balances with banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

## 2.19 Provisions and contingent liabilities

A provision is recognised when the Holding Company has a present obligation as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in case:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- present obligation arising from past events, when no reliable estimate is possible; or
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions and contingent liabilities are reviewed at each consolidated balance sheet date.

## 2.20 Provisions for employment benefits

### Defined contribution plans

Under defined contribution plan, the Holding Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. The Holding Company has the following defined contribution plans: state governed provident fund scheme and employee state insurance scheme. The contributions paid and payable under the scheme are recognised in the period when the employee renders the related service.

### Defined benefit plans

The employees' gratuity fund scheme managed by the Life Insurance Corporation of India is the Holding Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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discount rate to the net defined benefit liability or asset.

The Holding Company recognises the following changes in the net defined benefit obligation under 'employee benefit expenses' in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

## Provision for compensated absences

Provision for short-term compensated absences is recognised for accumulated leaves that are expected to be utilised within a period of twelve months from the balance sheet date. Long term compensated absences are provided for on the basis of an actuarial valuation, using projected unit credit method, as at each reporting date.

## 2.21 Earnings per equity share

Basic earnings per equity share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as reduced by number of shares bought back, if any. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.22 Dividend to equity holders of the Holding Company

Dividends paid (including income-tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

## 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief

(All amounts in ₹ Crore, unless otherwise stated)

operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decision.

Segment accounting policies are in line with the accounting policies of the Holding Company.

## 2.24 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to assist users in understanding the financial performance achieved and in making projections of future financial performance, the nature and amount of such material items are disclosed separately as exceptional items.

## 2.25 Recent accounting pronouncements

The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS 117, 'Insurance Contracts' and amendments to Ind AS 116, 'Leases', relating to sale and leaseback transactions, applicable with effect from 1 April 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

## 2.26 New and amended standards issued but not effective

Amendments to Ind AS 21, 'The Effects of Changes in Foreign Exchange Rates'

The amendments to Ind AS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.

The Company does not expect any material impact on its consolidated financial statements.

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(All amounts in ₹ Crore, unless otherwise stated)

## 3.1 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
<b>Gross carrying value</b>							
<b>Balance as at April 1, 2023</b>	<b>112.43</b>	<b>287.05</b>	<b>2,152.61</b>	<b>6.46</b>	<b>11.39</b>	<b>6.25</b>	<b>2,576.19</b>
Additions during the year	5.17	13.97	97.70	0.59	0.74	1.13	119.30
Deletions/ adjustment during the year	-	-	(3.03)	(0.23)	(0.16)	(0.06)	(3.48)
Assets classified as held for sale (refer note 3.5)	-	(2.72)	(1.68)	(2.71)	-	(0.13)	(7.24)
<b>Balance as at March 31, 2024</b>	<b>117.60</b>	<b>298.30</b>	<b>2,245.60</b>	<b>4.11</b>	<b>11.97</b>	<b>7.19</b>	<b>2,684.77</b>
Additions during the year	1.23	2.67	37.35	-	0.94	2.45	44.64
Deletions/ adjustment during the year	-	-	(1.20)	(0.37)	(1.05)	-	(2.62)
<b>Balance as at March 31, 2025</b>	<b>118.83</b>	<b>300.97</b>	<b>2,281.75</b>	<b>3.74</b>	<b>11.86</b>	<b>9.64</b>	<b>2,726.79</b>
<b>Accumulated depreciation</b>							
<b>Balance as at April 1, 2023</b>	-	116.56	1,407.62	5.12	5.12	4.20	1,538.62
Depreciation for the year	-	14.28	95.80	0.29	1.00	0.90	112.27
Deletions during the year	-	-	(2.30)	(0.21)	(0.07)	(0.05)	(2.63)
Assets classified as held for sale (refer note 3.5)	-	(0.51)	(1.40)	(2.54)	-	(0.12)	(4.57)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>130.33</b>	<b>1,499.72</b>	<b>2.66</b>	<b>6.05</b>	<b>4.93</b>	<b>1,643.69</b>
Depreciation for the year	-	12.31	83.31	0.19	0.84	1.27	97.92
Deletions during the year	-	-	(0.96)	(0.27)	(0.69)	-	(1.92)
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>142.64</b>	<b>1,582.07</b>	<b>2.58</b>	<b>6.20</b>	<b>6.20</b>	<b>1,739.69</b>
<b>Net block as at March 31, 2025</b>	<b>118.83</b>	<b>158.33</b>	<b>699.68</b>	<b>1.16</b>	<b>5.66</b>	<b>3.44</b>	<b>987.10</b>
Net block as at March 31, 2024	117.60	167.97	745.88	1.45	5.92	2.26	1,041.08

### Notes:

#### 1. Change in estimates

During the year ended 31 March 2024, consequent to the technical evaluation of the remaining useful life of the existing property, plant and equipment of the Holding Company, in case of certain items, the management had revised its estimates of useful life and computed depreciation accordingly. However, this change did not result in any significant impact on the depreciation expense for the year ended 31 March 2024 as well as year ended 31 March 2025, and is also not expected to have any material impact in the future periods.

#### 2. Property, plant and equipment pledged as security:

There is no charge on property, plant and equipment as at March 31, 2025 and as at March 31, 2024.

#### 3. Benami properties:

No proceedings have been initiated or pending against the Holding Company and its associates for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### 4. Capital commitments:

Refer note 38.1 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 3.2 Right-of-use asset

Particulars	Leasehold land and Buildings
<b>Gross carrying value</b>	
<b>Balance as at April 1, 2023</b>	<b>17.60</b>
Additions during the year	-
Deletions during the year	-
Assets classified as held for sale (refer note 3.5)	(0.34)
<b>Balance as at March 31, 2024</b>	<b>17.26</b>
Additions during the year	9.00
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>26.26</b>
<b>Accumulated depreciation</b>	
<b>Balance as at April 1, 2023</b>	0.79
Depreciation during the year	3.42
Deletions during the year	-
Assets classified as held for sale (refer note 3.5)	(0.13)
<b>Balance as at March 31, 2024</b>	<b>4.08</b>
Depreciation during the year	6.18
Deletions/ transfer during the year (refer note 3.5)	-
<b>Balance as at March 31, 2025</b>	<b>10.26</b>
<b>Net block as at March 31, 2025</b>	<b>16.00</b>
Net block as at March 31, 2024	13.17

Refer note 42 for disclosure on leases.

## Note 3.3: Capital work-in-progress

Particulars	Capital work-in-progress
<b>Balance as at April 1, 2023</b>	43.82
Additions during the year	10.12
Capitalised during the year	(35.07)
<b>Balance as at March 31, 2024</b>	<b>18.87</b>
Additions during the year	97.23
Capitalised during the year	(42.93)
<b>Balance as at March 31, 2025</b>	<b>73.17</b>

### Notes:

- Capital work-in-progress ('CWIP') comprises cost of property, plant and equipment that are not yet installed or ready for their intended use at the balance sheet date.
- The Holding Company does not have any projects which are overdue or exceeded their respective cost in comparison to its original plan.
- There are no projects which have been temporarily suspended.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## CWIP ageing schedule as at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	59.00	2.97	11.20	-	73.17

## CWIP ageing schedule as at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.90	14.95	-	0.02	18.87

## 3.4 Intangible assets

Particulars	Computer softwares
<b>Gross carrying value</b>	
<b>Balance as at April 1, 2023</b>	<b>6.31</b>
Additions during the year	0.66
Deletions during the year	(0.01)
<b>Balance as at March 31, 2024</b>	<b>6.96</b>
Additions during the year	6.79
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>13.75</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 1, 2023</b>	5.52
Amortisation for the year	0.33
Deletions during the year	(0.01)
<b>Balance as at March 31, 2024</b>	<b>5.84</b>
Amortisation for the year	2.61
Deletions during the year	-
<b>Balance as at March 31, 2025</b>	<b>8.45</b>
<b>Net block as at March 31, 2025</b>	<b>5.30</b>
Net block as at March 31, 2024	1.12

There are no intangible assets under development as at March 31, 2025 and March 31, 2024.

## 3.5 Assets classified as held for sale

The net carrying value of assets classified as held for sale are as follows:

Particulars	31 March 2025	31 March 2024
Buildings	-	2.21
Plant and equipment	-	0.28
Furniture and fixtures	-	0.17
Office equipment	-	0.01
Leasehold land	-	0.21
<b>Total</b>	<b>-</b>	<b>2.88</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

The Holding Company had classified leasehold rights on land, admeasuring approximately 25.27 acres situated at Chinchwad, Pune, along with structures thereon as 'assets classified as held for sale' as at March 31, 2024 and such assets had been measured at lower of their carrying value and fair value less costs to sell.

During the year, the Holding Company consummated the transaction and has recorded net gain of ₹ 416.99 Crore on such transfer. Also refer note 33.

### 4 Investments: Non-current

Particulars	Face value* ₹	No of shares/ units as at *		Balances as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Quoted</b>					
<b>Investments in equity shares (fully paid up)</b>					
<b>Investments designated at FVOCI</b>					
Finolex Cables Limited	2	2,21,87,075	2,21,87,075	2,026.46	2,220.93
<b>Investments designated at FVTPL</b>					
GOCL Corporation Limited	2	4,950	4,950	0.14	0.22
Gulf Oil Lubricants India Limited	2	4,950	4,950	0.57	0.47
<b>Unquoted</b>					
<b>Investments designated at FVOCI</b>					
Finolex Infrastructure Private Limited	10	53,84,686	53,84,686	12.42	12.45
<b>Investments measured at cost</b>					
<b>Associate companies</b>					
Pawas Port Limited	10	- #	49,994	-	0.05
<b>Investments measured at amortised cost</b>					
Hinduja Renewables One Private Limited	10	31,36,537	31,36,537	0.32	0.29
<b>Investments in Fixed Deposits measured at cost(Unquoted)</b>					
Bajaj Finance Limited	-	-	-	393.52	64.12
<b>Investments in bonds measured at amortised cost (Quoted)</b>					
<b>Perpetual bonds</b>					
8.25% Bank of Baroda Perpetual Bond	10,00,000	200	200	21.17	21.17
7.74% SBI Perpetual Bond	10,00,000	200	200	20.90	20.98
8.75% SBI Perpetual Bond	10,00,000	-	100	-	10.57
8.99% Bank of Baroda Perpetual Bond	10,00,000	-	550	-	56.54
8.50% SBI Perpetual Bond	10,00,000	-	250	-	25.87
<b>Secured non-convertible debentures</b>					
7.91% Tata Capital Financial Services Limited	1,00,000	1500	1,500	15.74	15.70



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Face value* ₹	No of shares/ units as at *		Balances as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Unsecured non-convertible debentures</b>					
8.90% Aditya Birla Finance Limited	10,00,000	35	-	3.68	-
8.95% Aditya Birla Finance Limited	10,00,000	15	-	1.60	-
8.31% Aditya Birla Finance Limited	10,00,000	500	-	50.21	-
8.35% HDB Financial Services Limited	10,00,000	500	-	52.70	-
7.99% State Bank of India	10,00,000	-	300	-	31.73
<b>Zero Coupon Bonds</b>					
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	-	200	-	22.39
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	-	350	-	39.68
<b>Total</b>				<b>2,599.43</b>	<b>2,543.16</b>

\*Number of shares/bonds and face value are in full figures

<sup>#</sup>Refer note 43

<sup>##</sup>The Zero Coupon Bonds are with different maturity dates.

## 4.1 Investments accounted for using equity method

Particulars	No of shares		Value of investments	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Associate company</b>				
<b>Equity shares of ₹ 10 each in</b>				
a) Finolex Plasson Industries Private Limited	46,35,000	46,35,000	137.63	110.28
Dividend received			(1.62)	(1.16)
Share in profit			40.17	38.22
Share in tax expenses			(9.97)	(9.68)
Share in OCI			(0.10)	(0.03)
b) Pawas Port Limited*	49,994	49,994	0.05	-
Share in profit			- <sup>#</sup>	-
<b>Total value of investment in associates</b>			<b>166.16</b>	<b>137.63</b>

<sup>#</sup>Amount is below the rounding off norm adopted by the Holding Company.

\*The Holding Company has consolidated its equity interest in Pawas Port Limited for Ind AS 28 for the first time in this financial year.

Particulars	31 March 2025	31 March 2024
Aggregate cost of quoted investments	264.75	344.48
Aggregate value of unquoted investments	406.26	76.91
Aggregate market value of quoted investments	2,193.17	2,466.25
Aggregate amount of impairment	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Fair value disclosures

Fair value disclosures for financial assets and liabilities are stated in note 39 and fair value hierarchy disclosures for investment are stated in note 39.

## Risk management strategy

Refer note 40 on financial risk management objectives and policies for financial instruments.

## 5 Non-current loans

Particulars]	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Loans to employees	0.01	0.02
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 (March 31, 2024: Nil).

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

There are no loans due by directors or other officers of the Holding Company and its associates, or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

The Holding Company and its associates have not granted any loans to promoters, directors, key managerial personnel and the related parties (as defined under the Act), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment

## 6 Other non-current financial assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Claims receivable (refer note 20)	17.95	26.45
Security deposits	9.28	13.20
<b>Total</b>	<b>27.23</b>	<b>39.65</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

## 7 Other non-current assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Capital advances	16.27	3.35
<b>Advances other than capital advances:</b>		
Prepaid expenses	3.36	4.09
Balances with government authorities	6.99	31.98
<b>Total</b>	<b>26.62</b>	<b>39.42</b>

There are no advances to directors or other officers of the Holding Company and its associates, or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 8 Inventories

Particulars	March 31, 2025	March 31, 2024
Raw materials (refer note a below)	400.18	317.38
Work-in-progress	90.89	64.19
Finished goods (refer note b below)	209.19	267.75
Stock-in-trade	11.20	4.83
Stores and spares	64.86	66.96
Packing material	6.10	6.92
<b>Total</b>	<b>782.42</b>	<b>728.03</b>

- a) Raw materials include goods in transit of ₹ 44.65 Crore (March 31, 2024: ₹ 9.75 Crore).
- b) Write-down of inventories to net realisable value (net of reversal) amounts to ₹ 0.28 Crore (March 31, 2024 ₹ 0.33 Crore).
- c) There is no hypothecation on inventories.
- d) Refer note 2.7 for basis of valuation of inventories.

## 9 Investments: Current

Particulars	Face value* ₹	No. of units as at*		Balance as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment in mutual fund classified as FVTPL (Quoted)					
Axis Treasury Advantage Fund -Direct Growth	1,000	-	2,60,340	-	76.50
Axis Money Market Fund -Direct Growth	1,000	49,844	-	7.06	-
Axis Banking PSU Debt Fund -Direct Growth	10	1,59,472	-	42.38	-
Axis Corporate Debt Fund -Direct Growth	10	7,04,08,054	4,75,91,648	124.11	76.97
DSP Ultra Short Fund - Direct Plan - Growth	1,000	-	-	-	-
DSP Low Duration Fund -Direct Growth	1,000	-	7,32,10,446	-	136.24
ICICI Prudential Short Term fund -Direct Growth	100	51,76,590	-	33.16	-
ICICI Prudential Corporate Bond Fund -Direct Growth	10	2,68,44,847	1,82,12,074	82.02	51.26
ICICI Prudential Nifty PSE Bond Plus Maturity 60.: 40 Index Fund -Direct Growth	10	9,48,31,873	9,94,60,957	115.35	111.64
ICICI Prudential Equity Arbitrage Fund -Direct Growth	10	-	1,48,40,037	-	49.69
Bandhan Money Market Fund - -Direct Growth	10	-	1,38,30,530	-	54.85
Nippon India Floating Rate Fund -Direct Growth	10	-	94,08,965	-	40.19
Nippon India Arbitrage Fund -Direct Growth	10	-	2,01,80,283	-	52.74
Nippon India Ultra Short Duration Fund -Direct Growth	10	71,787	-	31.26	-
Nippon India Nifty AAA CPSE Bond Plus SDL 60.: 40 Index Fund -Direct Growth	10	5,70,20,207	5,70,20,207	68.14	63.04
Nippon India Corporate Bond Fund -Direct Growth	10	82,83,351	63,89,702	50.91	36.04
Nippon India Gilt security Fund -Direct Growth	10	1,48,98,545		63.24	
Nippon India Money Market Fund -Direct Growth	1,000	-	92,893	-	35.50

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Face value* ₹	No. of units as at*		Balance as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
SBI CPSE Bond Plus SDL 50:50 Index Fund -Direct Growth	10	6,83,18,591	8,80,58,640	82.32	98.34
SBI Banking & PSU fund -Direct Growth	10	4,07,368	-	131.85	-
SBI Magnum Gilt fund -Direct Growth	10	2,66,19,476	-	183.95	-
Kotak Corporate Bond Fund -Direct Growth	10	89,838	89,838	34.57	31.76
Kotak Equity Arbitrage -Direct Growth	10	50,93,288	1,44,56,510	20.04	52.60
Kotak Low Duration Fund -Direct Growth	1,000	-	1,19,518	-	39.40
Kotak Nifty SDL Top 12 Equal Weight Index Fund -Direct Growth	10	6,55,27,599	6,55,27,599	78.90	72.77
Kotak Banking and PSU debt fund -Direct Growth	1,000	76,94,948	-	51.24	-
Tata Money Market Fund -Direct Growth	1,000	-	2,63,503	-	115.02
Tata Ultra Short Term Fund -Direct Growth	10	-	89,41,098	-	12.10
Tata Corporate bond Fund -Direct Growth	10	8,70,78,862	30,53,749	107.65	4.19
Aditya Birla Sun Life Money Manager -Direct Growth	100	-	23,91,558	-	81.50
Aditya Birla Sun Life Banking & PSU Debt Fund -Direct Growth	100	11,85,470	-	44.12	-
Aditya Birla Sun Life Low Duration Fund -Direct Growth	100	-	5,42,635	-	35.77
Aditya Birla Sun Life Corporate Bond Fund -Direct Growth	10	14,53,552	16,24,820	16.35	16.78
Aditya Birla Sun Life Nifty SDL Plus Psu Bond 60:40Index Direct Fund -Direct Growth	10	5,08,53,684	5,08,53,684	61.76	57.20
Aditya Birla Sun Life government securities fund-Direct Growth	10	99,84,499	-	86.33	-
HDFC Low Duration Fund -Direct Growth	10	-	1,16,85,180	-	66.24
Mirae Asset Money Market Fund -Direct Growth	10	9,190	-	1.15	-
Mirae Asset Low duration Fund-Direct Growth	10	58,803	-	14.15	-
HDFC Corporate bond fund - Direct plan -Direct Growth	1,000	3,40,92,747	-	110.94	-
HDFC Gilt fund s- -Direct Growth	1,000	1,76,86,453	-	101.63	-
HSBC CRISIL IBX 50.50 Gilt Plus SDL Index Fund -Direct Growth	1,000	7,48,55,836	7,48,55,836	91.22	84.01
HSBC Ultra Short Duration Fund -Direct Growth	1,000	-	4,40,713	-	55.11
HSBC Corporate Bond fund -Direct Growth	10	86,79,240	-	65.95	-
UTI Banking & PSU Fund -Direct Growth	10	27,58,620	27,58,620	6.01	5.56
UTI Liquid Fund -Direct Growth	1,000	4,465	3,715	1.90	1.47
<b>Investment in fixed deposits classified at cost (Unquoted)</b>					
Bajaj Finance Limited		-	-	-	116.39
<b>Investment in Commercial Papers classified at cost (Quoted)</b>					
Aditya Birla Finance Limited	5,00,000	-	1,000	-	48.19

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Face value* ₹	No. of units as at*		Balance as at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investments measured at amortised cost - Bonds (Quoted)					
5.83% SBI Tier 2	10,00,000	1,250	-	126.44	-
6.24% SBI Bond	10,00,000	400	-	40.96	-
8.05% HDB Financial Services Limited	10,00,000	-	200	-	20.97
6.30% HDB Financial Services Limited	10,00,000	-	400	-	39.45
5.65% Bajaj Finance	10,00,000	-	250	-	26.20
6.70% Tata Capital Limited	10,00,000	-	400	-	39.47
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	350	-	42.83	-
0% HDB Financial Services Limited <sup>##</sup>	10,00,000	350	-	24.16	-
				2,144.05	1,905.15

Particulars	March 31, 2025	March 31, 2024
Aggregate cost of quoted investments	1,969.03	1,688.08
Aggregate market value of quoted investments	2,144.05	1,788.76
Aggregate value of unquoted investments	-	116.39
Aggregate amount of impairment	-	-

\* Number of units and face value are in full figures

<sup>##</sup>The Zero Coupon Bonds are with different maturity dates.

## Fair value disclosures

Fair value disclosures for financial assets and liabilities and fair value hierarchy disclosures for investment are stated in Note 39.

## Risk management strategy

Refer note 40 on financial risk management objectives and policies for financial instruments.

## 10 Trade receivables

Particulars	March 31, 2025	March 31, 2024
Secured, considered good	1.40	1.40
Unsecured, considered good	377.85	456.23
<b>Total</b>	<b>379.25</b>	<b>457.63</b>

### Trade receivables ageing schedule as at March 31, 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	363.23	13.52	1.01	0.09	-	-	377.85
Disputed, considered good	-	-	-	-	-	1.40	1.40
	<b>363.23</b>	<b>13.52</b>	<b>1.01</b>	<b>0.09</b>	<b>-</b>	<b>1.40</b>	<b>379.25</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Trade receivables ageing schedule as at March 31, 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed, considered good	451.17	5.04	0.02	-	-	-	456.23
Disputed, considered good	-	-	-	-	-	1.40	1.40
	<b>451.17</b>	<b>5.04</b>	<b>0.02</b>	<b>-</b>	<b>-</b>	<b>1.40</b>	<b>457.63</b>

There are no trade receivables having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 and March 31, 2024.

There are no dues from private companies in which director of the Holding Company, is a director or a member.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

Refer note 40 for credit risk of trade receivables.

The Holding Company's trade receivables consist of receivables from dealers and customers against sales of pipes and fittings and PVC resin. Trade receivables are mostly on terms of advance payment and in certain cases credit period is generally up to 60 days. The Holding Company also charges interest @ 18% per annum (p.a.) in case of delay in collection of trade receivables.

The trade receivables are free from hypothecation.

There are no unbilled receivables as at March 31, 2025 and March 31, 2024.

## 11.1 Cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
<b>Balances with banks:</b>		
In current accounts	13.80	2.06
Deposits with original maturity of less than three months	30.51	-
Cash on hand	0.08	0.09
<b>Total</b>	<b>44.39</b>	<b>2.15</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at the reporting date.

## 11.2 Bank balances other than cash and cash equivalents

Particulars	March 31, 2025	March 31, 2024
Unpaid dividend accounts*	28.42	29.24
Deposits with original maturity more than 3 months but less than 12 months	52.55	0.26
<b>Total</b>	<b>80.97</b>	<b>29.50</b>

\*Not due for deposit in Investor Education and Protection Fund.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

## 12 Current loans

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Loans to employees	0.19	0.31
Loans to vendors	13.08	16.52
<b>Total</b>	<b>13.27</b>	<b>16.83</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

There are no loans having significant increase in credit risk or which are credit impaired or doubtful as at March 31, 2025 and as at March 31, 2024.

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

There are no loans due by directors or other officers of the Holding Company and its associates, or any of them either severally or jointly with any other persons, or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

The Holding Company has not granted any loans to promoters, directors, key managerial personnel and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

## Disclosure pursuant to section 186(4) of the Act

The Holding Company has granted unsecured loans to unrelated parties, towards expansion of their production capacity. These loans are repayable on demand. Further, no loans have been granted during the year. The outstanding balance as at March 31, 2025 is ₹ 13.08 Crore (March 31, 2024 ₹ 16.52 Crore).

## 13 Other current financial assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Security deposits	0.54	0.49
Other receivables	0.15	1.21
<b>Total</b>	<b>0.69</b>	<b>1.70</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

## 14 Other current assets

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Advances to vendors	19.60	35.75
Prepaid expenses	7.69	19.15
Balance with government authorities	3.50	3.50
<b>Total</b>	<b>30.79</b>	<b>58.40</b>

There are no advances to directors or other officers of the Holding Company and its associates, or any of them, either severally or jointly with any other persons, or advances to firms or private companies respectively in which any director is a partner or a director or a member.

## 15 Equity share capital

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised equity share capital</b>				
Equity shares of ₹ 2 each	75,00,00,000	150.00	75,00,00,000	150.00
Unclassified share capital (shares of ₹ 10 each)	8,50,00,000	85.00	8,50,00,000	85.00
<b>Total authorised share capital</b>	<b>83,50,00,000</b>	<b>235.00</b>	<b>83,50,00,000</b>	<b>235.00</b>
<b>Issued, subscribed and fully paid up equity share capital of face value of ₹ 2 each</b>	<b>61,83,13,905</b>	<b>123.67</b>	<b>61,83,13,905</b>	<b>123.67</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### Reconciliation of number of equity shares and amount outstanding:

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	61,83,13,905	123.67	61,83,13,905	123.67
Change during the year	-	-	-	-
Shares outstanding at the end of the year	61,83,13,905	123.67	61,83,13,905	123.67

### Number of shares held by each shareholder holding more than 5 percent of the equity shares of the Holding Company are as follows:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%

### Number of shares held by the promoters at the reporting dates and % change during the year ended March 31, 2025 are as follows:

Name of the promoter	As at March 31, 2025		As at March 31, 2024		% change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%	-
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%	-
Vijay Kishandas Chhabria	21,51,420	0.35%	21,51,420	0.35%	-
Katara Aruna Mukesh	12,88,895	0.21%	12,88,895	0.21%	-
Katara Dental Private Limited	10,69,750	0.17%	10,69,750	0.17%	-
Prakash Pralhad Chhabria	8,53,745	0.14%	8,53,745	0.14%	-
Kavita Sanjay Raheja	4,64,395	0.07%	4,64,395	0.07%	-
Deepak Kishan Chhabria	4,04,605	0.07%	4,04,605	0.07%	-
Gayatri Prakash Chhabria	3,74,125	0.06%	3,74,125	0.06%	-
Hansika Hiya Prakash Chhabria	3,34,875	0.05%	3,34,875	0.05%	-
Priya Vijay Chhabria	3,01,000	0.05%	3,01,000	0.05%	-
Katara Amrita Mukesh	2,10,375	0.03%	2,10,375	0.03%	-
Katara Amit Mukesh	2,03,160	0.03%	2,03,160	0.03%	-
Vini Deepak Chhabria	1,32,000	0.02%	1,32,000	0.02%	-
Katara Mukesh Dolumal	1,15,150	0.02%	1,15,150	0.02%	-
Ritu Prakash Chhabria	22,250	# 0.00%	22,250	# 0.00%	-
Katara Mukesh Dolumal HUF	17,500	# 0.00%	17,500	# 0.00%	-
Rishi Vijay Chhabria	6,750	# 0.00%	6,750	# 0.00%	-
Kishandas Parashram Chhabria	1,000	# 0.00%	1,000	# 0.00%	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

**Number of shares held by the promoters at the reporting dates and % change during the year ended March 31, 2024 are as follows:**

Name of the promoter	As at March 31, 2024		As at March 31, 2023		% change during the year
	No. of shares held	% of Holding	No. of shares held	% of Holding	
Finolex Cables Limited	20,09,62,985	32.39%	20,09,62,985	32.39%	-
Orbit Electricals Private Limited	11,66,54,505	18.80%	11,66,54,505	18.80%	-
Vijay Kishandas Chhabria	21,51,420	0.35%	21,51,420	0.35%	-
Katara Aruna Mukesh	12,88,895	0.21%	12,88,895	0.21%	-
Katara Dental Private Limited	10,69,750	0.17%	10,69,750	0.17%	-
Prakash Pralhad Chhabria	8,53,745	0.14%	8,53,745	0.14%	-
Kavita Sanjay Raheja	4,64,395	0.07%	4,64,395	0.07%	-
Deepak Kishan Chhabria	4,04,605	0.07%	4,04,605	0.07%	-
Gayatri Prakash Chhabria	3,74,125	0.06%	3,74,125	0.06%	-
Hansika Hiya Prakash Chhabria	3,34,875	0.05%	3,34,875	0.05%	-
Priya Vijay Chhabria	3,01,000	0.05%	3,01,000	0.05%	-
Katara Amrita Mukesh	2,10,375	0.03%	2,10,375	0.03%	-
Katara Amit Mukesh	2,03,160	0.03%	2,03,160	0.03%	-
Vini Deepak Chhabria	1,32,000	0.02%	1,32,000	0.02%	-
Katara Mukesh Dolumal	1,15,150	0.02%	1,15,150	0.02%	-
Ritu Prakash Chhabria	22,250	# 0.00%	22,250	# 0.00%	-
Katara Mukesh Dolumal HUF	17,500	# 0.00%	17,500	# 0.00%	-
Rishi Vijay Chhabria	6,750	# 0.00%	6,750	# 0.00%	-
Kishandas Parashram Chhabria	1,000	# 0.00%	1,000	# 0.00%	-

# Rounded off to 0.00%

- The Holding Company has not issued any bonus shares, neither the Holding Company has bought back any of its shares, nor any shares have been issued pursuant to contract without payment being received in cash during the five years immediately preceding the balance sheet date.
- The Holding Company has only one class of equity shares having a par value of ₹ 2 each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

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

- The Board of Directors have recommended a final dividend of ₹ 2 (100%) per equity share of ₹ 2 each and a special dividend of ₹ 1.60 (80%) per equity share of ₹ 2 each, aggregating to ₹ 3.60 (180%) per equity share of ₹ 2 each for the year ended March 31, 2025. The dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Holding Company.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 16 Other equity

Particulars	March 31, 2025	March 31, 2024
<b>Reserves and surplus</b>		
Securities premium	151.27	151.27
Capital redemption reserve	25.18	25.18
General reserve	394.50	394.50
Retained earnings	4,061.83	3,417.02
Equity instruments through other comprehensive income	1,340.41	1,522.63
<b>Total</b>	<b>5,973.20</b>	<b>5,510.60</b>

### Nature and purpose of reserves

#### 1. Capital redemption reserve

Capital redemption reserve is created by transferring an amount from retained earnings pursuant to buy back of equity shares, and represents nominal value of shares bought back. The reserve will be utilised in accordance with the provisions of the Act.

#### 2. General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings. General reserve does not include a component of OCI.

#### 3. Securities premium

Amount received (on issue of shares) in excess of the par value has been classified as securities premium. The reserve will be utilised in accordance with the provisions of the Act.

#### 4. Retained earnings

Retained earnings are the profits that the Holding Company has earned till date, less any transfers to general reserve, capital redemption reserve, dividends or other distributions paid to shareholders.

#### 5. Equity instruments through OCI

Equity instruments through OCI represents unrealised fair value gain(or) loss in investments measured at FVOCI.

## 17 Lease liability

### Non-current

Particulars	March 31, 2025	March 31, 2024
Leased buildings and premises	9.50	9.54
<b>Total</b>	<b>9.50</b>	<b>9.54</b>

### Current

Particulars	March 31, 2025	March 31, 2024
Leased building and premises	6.17	2.46
<b>Total</b>	<b>6.17</b>	<b>2.46</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 18 Other financial liabilities

### Non-current

Particulars	March 31, 2025	March 31, 2024
Security deposits	0.20	0.13
Dealer deposits	0.47	0.07
<b>Total</b>	<b>0.67</b>	<b>0.20</b>

Refer note 39 for classification of financial instruments by category and into fair value level of hierarchy.

### Current

Particulars	March 31, 2025	March 31, 2024
Interest accrued but not due	1.36	2.96
Employee benefits payable	23.78	26.12
Payables for expenses	198.88	277.20
Payable for capital purchases	11.33	8.17
Unpaid dividend*	28.43	29.24
<b>Total</b>	<b>263.78</b>	<b>343.69</b>

\* Not due for transfer to Investor Education and Protection Fund.

Refer note 40 for discussion on the Holding Company's financial risk management policies and procedures.

## 19 Provisions

### Non-current

Particulars	March 31, 2025	March 31, 2024
<b>Provisions for employee benefits</b>		
Gratuity (refer note 36)	-	7.85
Compensated absences (refer note 36)	17.12	15.45
<b>Total</b>	<b>17.12</b>	<b>23.30</b>

### Current

Particulars	March 31, 2025	March 31, 2024
<b>Provisions for employee benefits</b>		
Gratuity (refer note 36)	7.06	2.00
Compensated absences (refer note 36)	2.80	2.47
<b>Total</b>	<b>9.86</b>	<b>4.47</b>

## 20 Government grants

Particulars	March 31, 2025	March 31, 2024
Non-current	40.98	53.60
Current	12.62	12.62
<b>Total</b>	<b>53.60</b>	<b>66.22</b>

- a) The Holding Company was entitled to receive Industrial Promotion Subsidy under the Package Scheme of Incentives in relation to investments in property, plant and equipment at Ratnagiri plant. Accordingly, the same has been classified as grant related to assets and the Holding Company recognises the revenue from grants over the remaining useful life of the respective property, plant and equipment from the date on which the Holding Company is entitled to receive such grants.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Liability movement

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>66.22</b>	<b>78.83</b>
Recognised in the statement of profit and loss	(12.62)	(12.62)
<b>As at the end of the year</b>	<b>53.60</b>	<b>66.22</b>

- b) The Holding Company has received the eligibility certificate for the Industrial Promotion Subsidy under the package incentive scheme as mentioned above. There is no government grant which has accrued during the year. (March 31, 2024: Nil)

## Asset movement

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>26.45</b>	<b>28.82</b>
Add: Grant accrued during the year	-	-
Less: Claims received during the year	(8.50)	(2.37)
<b>As at the end of the year</b>	<b>17.95</b>	<b>26.45</b>

Refer note 6

## 21 Current borrowings

Particulars	March 31, 2025	March 31, 2024
<b>Unsecured</b>		
<b>From Banks</b>		
Buyers credit	221.08	381.23
Cash credit	-	0.72
<b>TOTAL</b>	<b>221.08</b>	<b>381.95</b>

### Details of terms of borrowings:

Buyer's credits are part of working capital facilities. These are repayable based on the terms of each buyer's credit which is up to 90 days. The interest rate ranges from 4.57% per annum (p.a.) to 5.74% p.a. (March 31, 2024: 4.97 % p.a. to 6.10% p.a.)

Cash credits facilities have interest rate ranging from 8.50% p.a. to 9.60% p.a. (March 31, 2024: 8.70% p.a. to 9.60% p.a.)

The Holding Company has aggregate limits of working capital borrowings of ₹ 1,916.25 Crore (March 31, 2024: ₹ 1,916.25 Crore) from various banks.

Borrowings from banks have been utilized for the purpose for which they were taken.

The Holding Company has not been declared as wilful defaulter by any bank or financial institution or government or government authority.

Refer note 40 for discussion on financial risk management policies and procedures.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Reconciliation of debt in accordance with Ind AS 7, 'Statement of Cash Flows'

Particulars	Current borrowings	Lease liabilities	Interest accrued	Total
<b>Balance as at April 1, 2023</b>	<b>526.41</b>	<b>14.31</b>	<b>2.16</b>	<b>542.88</b>
Repayment of borrowings (net)	(146.03)	-	-	(146.03)
Foreign exchange fluctuation	1.57	-	-	1.57
Finance costs	-	-	36.45	36.45
Interest paid	-	-	(34.52)	(34.52)
Payment of lease liabilities	-	(2.31)	(1.13)	(3.44)
<b>Balance as at March 31, 2024</b>	<b>381.95</b>	<b>12.00</b>	<b>2.96</b>	<b>396.91</b>
Repayment of borrowings (net)	(157.61)	-	-	(157.61)
Additions (leases)	-	9.00	-	9.00
Foreign exchange fluctuation	(3.26)	-	-	(3.26)
Finance costs	-	-	29.64	29.64
Interest paid	-	-	(29.78)	(29.78)
Payment of lease liabilities	-	(5.33)	(1.46)	(6.79)
<b>Balance as at March 31, 2025</b>	<b>221.08</b>	<b>15.67</b>	<b>1.36</b>	<b>238.11</b>

## 22 Trade payables

Particulars	March 31, 2025	March 31, 2024
<b>Trade payables</b>		
a) total outstanding dues of micro and small enterprises; and	10.60	9.85
b) total outstanding dues of creditors other than micro and small enterprises	433.56	278.79
<b>Total</b>	<b>444.16</b>	<b>288.64</b>

### Trade Payables ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	9.02	1.24	0.17	0.06	0.11	10.60
Other than micro enterprises and small enterprises - Undisputed	252.12	65.35	3.35	0.91	0.06	321.79
Unbilled dues - Undisputed	111.77	-	-	-	-	111.77
	<b>372.91</b>	<b>66.59</b>	<b>3.52</b>	<b>0.97</b>	<b>0.17</b>	<b>444.16</b>

### Trade Payables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	8.53	0.84	0.30	0.07	0.11	9.85
Other than micro enterprises and small enterprises - Undisputed	177.39	32.26	1.20	0.04	0.03	210.92
Unbilled dues - Undisputed	67.87	-	-	-	-	67.87
	<b>253.79</b>	<b>33.10</b>	<b>1.50</b>	<b>0.11</b>	<b>0.14</b>	<b>288.64</b>

Trade payables are non-interest bearing and are normally settled within 30 to 45 days.

Refer note 40 for discussion on financial risk management policies and procedures.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 23 Other current liabilities

Particulars	March 31, 2025	March 31, 2024
Revenue received in advance	10.75	7.44
Statutory dues (includes indirect taxes and withholding taxes)	9.24	62.21
<b>Total</b>	<b>19.99</b>	<b>69.65</b>

## 24 Taxes

### A Income-tax assets (net)

Particulars	March 31, 2025	March 31, 2024
Advance tax (net of provision for tax)	5.08	21.46
<b>Total</b>	<b>5.08</b>	<b>21.46</b>

The note below details the major components of income-tax expenses for the year ended March 31, 2025 and March 31, 2024. The note further describes the significant estimates made in relation to the Holding Company and its associate's income-tax position, and also explains how the income-tax expense is impacted by non-assessable and non-deductible items.

### B Composition of income tax expense is as follows:

Particulars	March 31, 2025	March 31, 2024
<b>Statement of profit and loss</b>		
<b>Current tax</b>		
Current income tax charge	225.91	157.88
Tax pertaining to earlier year(s)	(0.01)	(0.31)
<b>Deferred tax</b>		
Relating to temporary differences	17.31	19.39
<b>Income-tax expense reported in the statement of profit and loss</b>	<b>243.21</b>	<b>176.96</b>
<b>OCI</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
Remeasurement gains/ (losses) on defined benefit plans	0.18	0.81
Fair value changes of financial assets	12.27	(65.25)
<b>Income-tax charged to OCI</b>	<b>12.45</b>	<b>(64.44)</b>

### C Reconciliation between tax expense and accounting profit multiplied by tax rate

Current taxes are measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Particulars	March 31, 2025	March 31, 2024
Accounting profit before tax expense	1,043.24	650.55
<b>At applicable tax rate @ 25.168%</b>	<b>262.56</b>	<b>163.73</b>
<b>Adjustments for:</b>		
Donation expense	2.58	- #
Corporate social responsibility expenses	7.17	6.45
Other non-deductible expenses	0.11	0.09
Agricultural income under section 10(1) of the Income-tax Act, 1961	(0.02)	(0.01)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Deductions allowed under the the Income-tax Act, 1961	(7.27)	(4.25)
Other income credited to statement of profit and loss, either exempt or considered separately	-	(0.19)
Prior years' tax adjustments	(0.01)	(0.31)
Deferred tax on consolidation	6.40	9.09
Other adjustments	0.45	2.17
Income chargeable at different tax rates on sale of long-term capital assets	(20.99)	-
Income chargeable at different tax rates on sale of mutual funds	(7.77)	-
Allowance against capital loss on sale of bonds	-	0.19
<b>Tax expense as per consolidated statement of profit and loss</b>	<b>243.21</b>	<b>176.96</b>

The effective tax rates for the year ended March 31, 2025 and March 31, 2024 are 22.58% and 25.79% respectively.

# Amount is below the rounding off norm adapted by the Holding Company.

## D Composition of deferred tax assets, deferred tax liabilities and deferred tax (expense)/income

As at and for the year ended March 31, 2025

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Deferred tax liabilities</b>						
Depreciation	(124.20)	(130.51)	-	-	6.32	6.50
Fair valuation of investments measured at FVOCI	(54.74)	(67.01)	12.27	(65.25)	-	11.82
Fair valuation of investments measured at FVTPL	(41.20)	(25.92)	-	-	(15.28)	(25.92)
Right-of-use assets	-	-	-	-	-	0.06
Others	(0.20)	(0.26)	-	-	0.06	(0.26)
Deferred tax on consolidation	(40.10)	(33.70)	-	-	(6.40)	(9.09)
<b>Deferred tax assets</b>						
Government grants	13.48	16.66	-	-	(3.18)	(3.18)
Disallowance for MSME dues	1.04	0.34	-	-	0.70	0.34
Disallowance on account of non-deduction of tax deducted at source	-	-	-	-	-	(0.26)
Leave encashment	5.01	4.51	-	-	0.50	0.49
Defined benefit obligation and others	1.78	2.48	0.18	0.81	(0.88)	(0.20)
<b>Deferred tax income/(expense)</b>			<b>12.45</b>	<b>(64.44)</b>	<b>(18.16)</b>	<b>(19.70)</b>
<b>Deferred tax liabilities (net)</b>	<b>(239.13)</b>	<b>(233.41)</b>				



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### As at and for the year ended March 31, 2024

Particulars	Balance sheet		Other comprehensive income		Statement of profit and loss	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Deferred tax liabilities</b>						
Depreciation	(130.51)	(137.01)	-	-	6.50	1.09
Fair valuation of investments measured at FVOCI	(67.01)	(13.58)	(65.25)	-	11.82	(12.69)
Fair valuation of investments measured at FVTPL	(25.92)	-	-	-	(25.92)	2.25
Right-of-use assets	-	(0.06)	-	-	0.06	(0.06)
Others	(0.26)	-	-	-	(0.26)	-
Deferred tax on consolidation	(33.70)	(24.61)			(9.09)	(4.29)
<b>Deferred tax assets</b>						
Government grants	16.66	19.84	-	-	(3.18)	0.26
Disallowance for MSME dues	0.34	-	-	-	0.34	-
Disallowance on account of non-deduction of tax deducted at source	-	0.26	-	-	(0.26)	(0.75)
Leave encashment	4.51	4.02	-	-	0.49	0.19
Defined benefit obligation and others	2.48	1.87	0.81	0.11	(0.20)	0.63
<b>Deferred tax (expense)/income</b>			<b>(64.44)</b>	<b>0.11</b>	<b>(19.70)</b>	<b>(13.36)</b>
<b>Deferred tax liabilities (net)</b>	<b>(233.41)</b>	<b>(149.27)</b>				

### E Composition of deferred tax assets and deferred tax liabilities

Deferred taxes are measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period. The Holding Company offsets tax assets and liabilities, if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income-taxes levied by the same tax authority.

#### Reconciliation of deferred tax liabilities (net)

Particulars	March 31, 2025	March 31, 2024
<b>As at the beginning of the year</b>	<b>(233.41)</b>	<b>(149.27)</b>
<b>Tax (expense)/income</b>		
Recognised in the statement of profit and loss	(17.31)	(19.39)
Share of associates	(0.85)	(0.31)
Recognised in the OCI	12.45	(64.44)
<b>As at the end of the year</b>	<b>(239.12)</b>	<b>(233.41)</b>

### F Composition of deferred tax (expense)/ income recognised in the statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Deferred tax expense	(25.74)	(38.91)
Deferred tax income	7.57	19.21
Share of associates	0.85	0.31
<b>Deferred tax expense (net)</b>	<b>(17.32)</b>	<b>(19.39)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 25 Revenue from operations

Particulars	March 31, 2025	March 31, 2024
<b>Revenue from sale of products</b>		
Sale of products	4,109.33	4,274.10
<b>Other operating revenue</b>		
a) Sale of scrap	17.02	28.02
b) Recovery of port charges	3.01	2.69
c) Government grant/subsidy (refer note 20)	12.61	12.62
<b>Total</b>	<b>4,141.97</b>	<b>4,317.43</b>

**Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:**

### (a) Revenue streams

The Holding Company derives revenue from sale of pipes and fittings and PVC resin, which is disclosed in note 35 as segment revenue. Hence, no disaggregation of revenue is provided separately.

### (b) Disaggregation of revenue from contracts with customers

The Holding Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by product lines, timing of revenue recognition and geography:

#### A. Revenue by product lines and others:

Particulars	March 31, 2025	March 31, 2024
PVC	31.54	123.49
PVC pipes and fittings	4,077.79	4,150.61
<b>Total</b>	<b>4,109.33</b>	<b>4,274.10</b>

#### B. Revenue by timing of revenue recognition:

Particulars	March 31, 2025	March 31, 2024
Goods transferred at a point in time when performance obligation is satisfied	4,109.33	4,274.10
<b>Total</b>	<b>4,109.33</b>	<b>4,274.10</b>

#### C. Revenue by geography:

The Holding Company operates in domestic market only, hence no separate geographical information has been provided.

#### D. Contract balance

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers:

Particulars	March 31, 2025	March 31, 2024
Receivables, which are included in 'trade receivables' (net of loss allowance)	379.25	457.63
Contract liabilities (includes revenue received in advance)	10.75	7.44

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### E. Changes in contract liabilities balance during the period are as follows:

Contract liabilities - revenue received in advance

Particulars	March 31, 2025	March 31, 2024
<b>Balance at the beginning of the year</b>	<b>7.44</b>	<b>19.90</b>
Add: Addition during the year	10.75	7.44
Less: Amount of revenue recognised during the year	(7.44)	(19.90)
<b>Balance at the end of the year</b>	<b>10.75</b>	<b>7.44</b>

The aggregate amount of transaction price allocated to the performance obligations (yet to be completed) as at March 31, 2025 is ₹ 10.75 Crore. This balance represents the advance received from customers against sale of goods. The management expects to invoice and collect the remaining balance of total consideration within next 12 months. These balances will be recognised as revenue in subsequent period as per the policy of the Holding Company.

F. The Holding Company does not have any significant obligations for returns, refunds or warranties.

## 26 Other income

Particulars	March 31, 2025	March 31, 2024
<b>I) Interest income on financial assets measured at amortised cost:</b>		
a) Deposit with bank and financial institution	38.08	10.67
b) Investment in bonds and commercial papers	36.26	22.20
c) Loans to vendors	0.57	0.86
d) Income-tax refund	0.62	-
e) Overdue receivables from customers	-	0.01
f) Others	4.27	0.18
<b>II) Dividend from non-current investments</b>		
a) Classified at fair value through FVTPL	0.02	0.03
b) Classified at fair value through FVOCI	17.75	15.53
<b>III) Other non-operating income</b>		
a) Insurance claims received	0.13	0.02
b) Net gains on fair value changes on investment classified as FVTPL	62.11	56.78
c) Net gain on sale of current investments (mutual funds) classified as FVTPL	85.14	61.75
d) Liabilities written back (net)	0.22	1.91
e) Others	1.46	10.01
<b>Total</b>	<b>246.63</b>	<b>179.95</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 27 Cost of materials consumed

Particulars	March 31, 2025	March 31, 2024
Cost of raw materials consumed	2,584.01	2,704.60
Packing material consumed	37.94	40.32
<b>Total</b>	<b>2,621.95</b>	<b>2,744.92</b>

## 28 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	March 31, 2025	March 31, 2024
<b>Inventories at the end of the year</b>		
Finished goods	209.19	267.75
Work-in-progress	90.89	64.19
Stock-in-trade	11.20	4.83
<b>Sub total (A)</b>	<b>311.28</b>	<b>336.77</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	267.75	215.43
Work-in-progress	64.19	79.93
Stock-in-trade	4.83	1.41
<b>Sub total (B)</b>	<b>336.77</b>	<b>296.77</b>
<b>Changes in inventories of finished goods, stock-in-trade and work-in-progress (B-A)</b>	<b>25.49</b>	<b>(40.00)</b>

## 29 Employee benefits expense

Particulars	March 31, 2025	March 31, 2024
Salaries, wages and bonus	193.68	183.58
Contribution to provident fund and other funds (refer note 36)	12.38	10.99
Staff welfare expenses	16.22	16.82
<b>Total</b>	<b>222.28</b>	<b>211.39</b>

## 30 Finance costs

Particulars	March 31, 2025	March 31, 2024
<b>Interest expense on financial liabilities measured at amortised cost:</b>		
on borrowings	18.07	25.24
on lease liabilities	1.46	1.13
on others	0.45	0.12
Other borrowing costs	1.06	1.40
Exchange differences regarded as an adjustment to borrowing cost	8.60	8.56
<b>Total</b>	<b>29.64</b>	<b>36.45</b>

## 31 Depreciation and amortisation expenses

Particulars	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment (refer note 3.1)	97.92	112.27
Depreciation of right-of-use assets (refer note 3.2)	6.18	3.42
Amortisation of intangible assets (refer note 3.4)	2.61	0.33
<b>Total</b>	<b>106.71</b>	<b>116.02</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 32 Other expenses

Particulars	March 31, 2025	March 31, 2024
Power and fuel	263.45	284.82
Stores and spares consumed	45.78	49.13
Jobwork and other manufacturing expenses	151.73	147.06
Warehousing and other rental expenses	30.84	22.50
Rates and taxes	9.63	10.52
Insurance	16.59	14.70
Repairs and maintenance (buildings)	5.26	7.94
Repairs and maintenance (plant and equipment)	19.68	15.94
Repairs and maintenance (others)	5.94	14.17
Communication expenses	1.59	1.72
Travelling and conveyance	20.84	22.02
Directors' sitting fees	0.66	0.41
Commission to non-executive directors	3.60	2.50
<b>Auditor's remuneration:#</b>		
-As auditors	0.42	0.42
-Certification	-	0.01
-Reimbursement of expenses	0.06	0.06
Advertisement, publicity and sales promotion	85.01	105.91
Freight outward expenses	1.43	1.39
Loss on disposal of property, plant and equipment	0.34	0.52
Legal and professional fees	19.46	22.40
Donations	10.25	0.01
Contribution towards corporate social responsibility (CSR)	28.50	25.64
Security expenses	9.36	10.08
Information technology maintenance	25.73	12.73
Net loss on foreign currency transactions and translations (other than considered as finance cost)	2.68	2.78
Miscellaneous expenses	9.00	8.90
<b>Total</b>	<b>767.83</b>	<b>784.28</b>

# excluding applicable tax

## 33 Exceptional item

Particulars	March 31, 2025	March 31, 2024
Gain on transfer of leasehold rights of land	416.99	-

Exceptional item pertains to the net gain on transfer of rights on leasehold land by the Holding Company admeasuring approximately 25.27 acres situated at Chinchwad, Pune, along with structures.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 34 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

There are no potential shares that have a dilutive effect on the EPS.

The following reflects the income and share data used in the basic EPS computation

Particulars	March 31, 2025	March 31, 2024
<b>Basic and diluted</b>		
Profit for the year before tax	1,043.24	650.55
Less: Attributable tax thereto	243.21	176.96
<b>Net profit after tax (in ₹ Crore)</b>	<b>800.03</b>	<b>473.58</b>
Weighted average number of equity shares	61,83,13,905	61,83,13,905
<b>Basic EPS</b>	<b>12.94</b>	<b>7.66</b>
<b>Diluted EPS</b>	<b>12.94</b>	<b>7.66</b>

## 35 Segment information

The Holding Company is in the business of manufacturing PVC resin and PVC pipes and fittings. Therefore as per Ind AS 108, "Operating Segments", the Holding Company has disclosed two segments i.e. PVC resin and PVC pipes and fittings.

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss that is measured consistently with profit or loss in the consolidated financial statements. The Holding Company's financing (including finance costs and finance income) and income-taxes are not allocated to operating segments.

### Year ended March 31, 2025

Particulars	PVC	PVC pipes and fittings	Total	Adjustments and eliminations	Net
<b>Revenue</b>					
External customers	37.92	4,104.05	4,141.97	-	4,141.97
Inter-segment	1,622.09	-	1,622.09	(1,622.09)	-
<b>Total revenue</b>	<b>1,660.01</b>	<b>4,104.05</b>	<b>5,764.06</b>	<b>(1,622.09)</b>	<b>4,141.97</b>
<b>Expenses</b>					
Depreciation and amortisation expenses	(19.35)	(71.60)	(90.95)	-	(90.95)
<b>Segment profit</b>	<b>195.50</b>	<b>235.63</b>	<b>431.13</b>	<b>-</b>	<b>431.13</b>
<b>Total assets</b>	<b>717.97</b>	<b>1,558.90</b>	<b>2,276.87</b>	<b>-</b>	<b>2,276.87</b>
<b>Total liabilities</b>	<b>217.32</b>	<b>378.54</b>	<b>595.86</b>	<b>-</b>	<b>595.86</b>
<b>Other disclosures</b>					
Capital expenditure	13.64	33.79	47.43	-	47.43

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Year ended March 31, 2024

Particulars	PVC	PVC pipes and fittings	Total	Adjustments and eliminations	Net
<b>Revenue</b>					
External customers	132.28	4,185.15	4,317.43		4,317.43
Inter-segment	1,353.53	-	1,353.53	(1,353.53)	-
<b>Total revenue</b>	<b>1,485.81</b>	<b>4,185.15</b>	<b>5,670.96</b>	<b>(1,353.53)</b>	<b>4,317.43</b>
<b>Expenses</b>					
Depreciation and amortisation expenses	(17.34)	(82.79)	(100.13)	-	(100.13)
Impairment of financial assets					-
<b>Segment profit</b>	<b>120.03</b>	<b>401.09</b>	<b>521.12</b>	<b>-</b>	<b>521.12</b>
<b>Total assets</b>	<b>804.14</b>	<b>1,486.75</b>	<b>2,290.89</b>	<b>-</b>	<b>2,290.89</b>
<b>Total liabilities</b>	<b>130.55</b>	<b>368.41</b>	<b>498.96</b>	<b>-</b>	<b>498.96</b>
<b>Other disclosures</b>					
Capital expenditure	24.28	94.42	118.69	-	118.69

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

## Adjustments and eliminations

Finance income, costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed for the Holding Company as a whole.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to these segments as they are managed for the Holding Company as a whole.

Capital expenditure consists of additions of property, plant and equipment and intangible assets and additions to capital work-in-progress.

## Reconciliation of profit

Particulars	March 31, 2025	March 31, 2024
<b>Segment profit</b>	<b>431.13</b>	<b>521.12</b>
Unallocable income	245.73	178.80
Finance costs	(29.64)	(36.45)
Share in profit of an associates	40.17	38.22
Exceptional item	416.99	-
Unallocable expense	(61.14)	(51.14)
<b>Profit before tax</b>	<b>1,043.24</b>	<b>650.55</b>

## Reconciliation of assets

Particulars	March 31, 2025	March 31, 2024
<b>Segment operating assets</b>	<b>2,276.87</b>	<b>2,290.89</b>
Current tax assets	5.08	21.46
Financial assets carried at FVTPL	0.70	0.69
Financial assets carried at FVTOCI	2,038.88	2,233.38
Financial assets carried at cost	-	0.05

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Financial assets carried at amortised cost	559.85	309.04
Current investments	2,144.05	1,905.15
Cash and cash equivalents (including other bank balances)	125.36	31.65
Assets classified as held for sale	-	2.88
Other unallocated assets	231.14	262.66
<b>Total assets</b>	<b>7,381.93</b>	<b>7,057.85</b>

## Reconciliation of liabilities

Particulars	March 31, 2025	March 31, 2024
<b>Segment operating liabilities</b>	<b>595.86</b>	<b>498.96</b>
Deferred tax liabilities	239.13	233.41
Trade payables	24.65	26.57
Current tax liability	-	0.05
Current borrowings	221.08	381.95
Financial liabilities at cost	82.14	91.65
Interest accrued	1.36	2.96
Unpaid dividend	28.43	29.24
Statutory dues	9.24	62.21
Provisions	26.98	27.77
Government grant	53.60	66.22
Other unallocated liabilities	2.59	2.59
<b>Total liabilities</b>	<b>1,285.06</b>	<b>1,423.59</b>

## Capital employed: Segment assets less segment liabilities

Particulars	March 31, 2025	March 31, 2024
PVC resin	717.97	804.14
PVC pipes and fittings	1,558.90	1,486.75
Unallocable assets	5,105.06	4,766.96
<b>Total segment assets</b>	<b>7,381.93</b>	<b>7,057.85</b>
PVC resin	217.32	130.55
PVC pipes and fittings	378.54	368.41
Unallocable liabilities	689.20	924.62
<b>Total segment liabilities</b>	<b>1,285.06</b>	<b>1,423.58</b>
PVC resin	500.65	673.59
PVC pipes and fittings	1,180.36	1,118.34
Unallocable	4,415.86	3,842.34
<b>Capital employed</b>	<b>6,096.87</b>	<b>5,634.27</b>

## Geographic information

The Holding Company operates in domestic market only, hence no separate geographical information has been provided.

## 36 Disclosure pursuant to employee benefits

### A. Defined contribution plans:

Amount of ₹ 8.77 Crore (March 31, 2024: ₹ 7.95 Crore) is recognised as expenses and included in note no. 29 "Employee benefits expense".

The contribution are made to recognised provident fund administered by the Government of India for employees @12% p.a. of basic salary per regulations. The obligation of the Holding Company is limited to the amount contributed and it has no further contractual constructive obligation.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## B. Defined benefit plans:

The Holding Company has Gratuity as post employment benefit which is in the nature of defined benefit plan.

The Holding Company operates gratuity plan (funded) wherein every employee is entitled to the benefit equivalent to fifteen days last drawn salary for each completed year of service as per Payment of Gratuity Act, 1972. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

### March 31, 2025: Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in OCI					Contributions by employer	March 31, 2025
	April 1, 2024	Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	
<b>Gratuity</b>											
Defined benefit obligation	31.57	3.08	2.17	5.25	(2.84)	-	-	0.91	(0.16)	0.75	34.73
Fair value of plan assets	21.72	-	1.64	1.64	(3.17)	0.05	-	(0.04)	0.09	0.05	27.67
<b>Total benefit liability</b>	<b>9.85</b>	<b>3.08</b>	<b>0.53</b>	<b>3.61</b>	<b>0.33</b>	<b>(0.05)</b>	<b>-</b>	<b>0.95</b>	<b>(0.25)</b>	<b>0.70</b>	<b>7.06</b>

### March 31, 2024: Changes in defined benefit obligation and plan assets

Particulars	April 1, 2023	Gratuity cost charged to statement of profit and loss				Remeasurement gains/(losses) in OCI					Contributions by employer	March 31, 2024	
		Service cost	Net interest expense	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI			
Gratuity													
Defined benefit obligation	27.37	2.61	1.90	4.51	(3.50)	-	-	0.33	2.86	3.19	-	31.57	
Fair value of plan assets	20.84	-	1.47	1.47	(3.25)	(0.05)	-	0.07	(0.12)	(0.05)	2.71	21.72	
Total benefit liability	6.53	2.61	0.43	3.04	(0.25)	0.05	-	0.26	2.98	3.24	(2.71)	9.85	

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:

Particulars	March 31, 2025	March 31, 2024
Insured managed funds Life Insurance Corporation of India (LIC)	27.67	21.72
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Holding Company's plans is shown below:

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.70%	7.20%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.20%	7.40%
<b>Expected average remaining working lives (in years)</b>		
Gratuity	8.14	8.14
Compensated absences	8.14	8.14
<b>Withdrawal rate</b>		
Gratuity	9.00%	9.00%
Compensated absences	9.00%	9.00%

A quantitative sensitivity analysis for significant assumption is as shown below:

## Gratuity

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		March 31, 2025	March 31, 2024
Discount rate	1% increase	(1.97)	1.59
	1% decrease	1.77	(1.76)
Future salary increase	1% increase	(1.60)	(1.43)
	1% decrease	1.47	1.32
Withdrawal rate	1% increase	0.12	0.06
	1% decrease	(0.12)	(0.07)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in one significant assumption at a time, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

The same method has been applied for the sensitivity analysis when calculating the recognised defined benefit obligation.

The following are the expected future benefit payments for the defined benefit plan:

Particulars	March 31, 2025	March 31, 2024
Within the next 12 months (next annual reporting period)	5.37	5.08
Between 2 and 5 years	22.88	21.80
Beyond 5 years	19.15	18.38
<b>Total expected payments</b>	<b>47.40</b>	<b>45.26</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	March 31, 2025	March 31, 2024
	Years	Years
Gratuity	8.25	7.99

## The following are the expected contributions to plan assets for the next year:

Particulars	March 31, 2025	March 31, 2024
	Years	Years
Gratuity	7.06	2.00

## Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

### 1. Liability risks

#### a. Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Holding Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

#### b. Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

#### c. Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

#### d. Withdrawal

Actual withdrawal providing higher or lower than assumed withdrawal and change of withdrawal rate at subsequent valuation can impact plan's liability.

### 2. Asset risks

All plan assets are maintained in a trust fund managed by a LIC, public sector insurer. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Holding Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Holding Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

### C. Other long-term employment benefits

The Holding Company has compensated absences plan which is covered by other long-term employee benefits.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## March 31, 2025: Changes in defined benefit obligation of compensated absences

Particulars	Cost charged to statement of profit and loss					Benefit paid	March 31, 2025
	April 1, 2024	Service cost	Interest cost	Actuarial changes arising from various assumption	Sub-total included in statement of profit and loss (Note 29)		
<b>Compensated absences</b>							
Defined benefit obligation	17.92	2.89	1.18	0.87	4.94	(2.94)	19.92
<b>Benefit liability</b>	<b>17.92</b>	<b>2.89</b>	<b>1.18</b>	<b>0.87</b>	<b>4.94</b>	<b>(2.94)</b>	<b>19.92</b>

## March 31, 2024: Changes in defined benefit obligation of compensated absences

Particulars	Cost charged to statement of profit and loss					Benefit paid	March 31, 2024
	April 1, 2023	Service cost	Interest cost	Actuarial changes arising from various assumption	Sub-total included in statement of profit and loss (Note 29)		
<b>Compensated absences</b>							
Defined benefit obligation	16.05	2.41	1.08	1.25	4.74	(2.87)	17.92
<b>Benefit liability</b>	<b>16.05</b>	<b>2.41</b>	<b>1.08</b>	<b>1.25</b>	<b>4.74</b>	<b>(2.87)</b>	<b>17.92</b>

## 37 Related party transactions

In accordance with the requirement of Ind AS 24 'Related Party Disclosures', name of related parties, their relationships, transactions and outstanding balances with them as identified and certified by the management are as follows:

### A. Names of the related party and nature of relationship where control exists

There are no parties where control exists.

### B. Directors and Key Management Personnel:

Name of the related party	Nature of relationship
Mr. Prakash P. Chhabria	Executive Chairman
Mr. Saurabh S. Dhanorkar	"Non-Executive and Non-Independent Director (up to November 20, 2024) Managing Director (with effect from (w.e.f.) November 21, 2024)"
Mr. Anil V. Whabi	Managing Director (up to May 31, 2023)
Mr. Saumya Chakrabarti	Director- Technical
Mr. Ajit Venkataraman	Managing Director (w.e.f. June 1, 2023 up to November 20, 2024)
Mr. Niraj Kedia	Chief Financial Officer (up to June 30, 2024)
Mr. Chandan Verma	Chief Financial Officer (w.e.f. September 30, 2024)
Mrs. Ritu P. Chhabria	Non-Executive and Non-Independent Director
Ms. Bhumika L. Batra	Independent Director (up to September 19, 2024)
Mrs. Kanchan U. Chitale	Independent Director
Dr. Deepak R. Parikh	Independent Director (up to September 19, 2024)
Mr. Pradeep R. Rathi	Independent Director (up to September 19, 2024)
Mr. Anami N. Roy	Independent Director (up to September 19, 2024)
Mr. Debabrata Sarkar	Independent Director (w.e.f. September 19, 2024)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Name of the related party	Nature of relationship
Mr. Vijay N Bhatt	Independent Director (w.e.f. September 19, 2024)
Mr. Aditya Sapru	Independent Director (w.e.f. September 19, 2024)
Mr. Munesh Khanna	Independent Director (w.e.f. September 19, 2024)
Mr. Rajesh Rathi	Independent Director (w.e.f. September 19, 2024)
Mr. Pradeep Udhas	Independent Director (w.e.f. September 30, 2024)
Mr. Dakshinamurthy Iyer	Company Secretary (w.e.f. May 10, 2024)
Mr. Ashutosh Kulkarni	Company Secretary (up to January 15, 2024)

## C. Name of the related parties with whom transactions have been entered into

Name of the related party	Nature of relationship
Orbit Electricals Private Limited	Enterprise controlled by Key Management Personnel
Finolex Plasson Industries Private Limited	Associate Company
Finolex Cables Limited	Enterprise wherein the Holding Company is an associate
Mukul Madhav Foundation (Trust)	Enterprises over which Key Management Personnel or their relatives exercise significant influence
Finolex Infrastructure Private Limited	
Ms. Gayatri Chhabria	Relative of Key Management Personnel
Finolex Industries Limited Employees Gratuity Fund	Post employment benefit plan of the Holding Company

## D. Transactions with related parties

Particulars	March 31, 2025	March 31, 2024
<b>I. Sales, services and other income</b>		
<b>Dividend received</b>	<b>17.75</b>	<b>15.53</b>
Finolex Cables Limited	17.75	15.53
Finolex Plasson Industries Private Limited	-	-
<b>II. Expenses</b>		
<b>Short-term employee benefits:*</b>		
<b>Salary and perquisites</b>	<b>10.57</b>	<b>11.91</b>
Mr. Prakash P. Chhabria	4.24	3.84
Mr. Saurabh S. Dhanorkar	0.83	-
Mr. Ajit Venkataraman	2.11	4.13
Mr. Anil V. Whabi	-	0.67
Mr. Saumya Chakrabarti	1.60	1.45
Mr. Niraj Kedia	0.38	1.21
Mr. Chandan Verma	0.36	-
Mr. Ashutosh Kulkarni	-	0.28
Mr. Dakshinamurthy Iyer	0.60	-
Ms. Gayatri Chhabria	0.45	0.33
<b>Commission</b>	<b>11.72</b>	<b>14.87</b>
Mr. Prakash P. Chhabria	6.80	10.34
Mr. Saurabh S. Dhanorkar	0.85	0.34

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(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Mr. Ajit Venkataraman	-	1.50
Mr. Saumya Chakrabarti	0.47	0.55
Mrs. Ritu P. Chhabria	0.50	0.34
Ms. Bhumika L. Batra	0.25	0.34
Mrs. Kanchan U. Chitale	0.50	0.34
Dr. Deepak R. Parikh	0.25	0.34
Mr. Pradeep R. Rathi	0.30	0.44
Mr. Anami N. Roy	0.25	0.34
Mr. Debabrata Sarkar	0.25	-
Mr. Vijay N Bhatt	0.30	-
Mr. Aditya Sapru	0.25	-
Mr. Munesh Khanna	0.25	-
Mr. Rajesh Rathi	0.25	-
Mr. Pradeep Udhas	0.25	-
<b>Directors' sitting Fees</b>	<b>0.66</b>	<b>0.41</b>
Mrs. Ritu P. Chhabria	0.05	0.02
Ms. Bhumika L. Batra	0.04	0.05
Mrs. Kanchan U. Chitale	0.11	0.09
Mr. Saurabh S. Dhanorkar	0.09	0.08
Dr. Deepak R. Parikh	0.04	0.06
Mr. Pradeep R. Rathi	0.05	0.06
Mr. Anami N. Roy	0.04	0.05
Mr. Debabrata Sarkar	0.05	-
Mr. Vijay N Bhatt	0.05	-
Mr. Aditya Sapru	0.05	-
Mr. Munesh Khanna	0.02	-
Mr. Rajesh Rathi	0.03	-
Mr. Pradeep Udhas	0.04	-
<b>Dividend paid</b>	<b>79.40</b>	<b>47.64</b>
Finolex Cables Limited	50.24	30.14
Orbit Electricals Private Limited	29.16	17.50
<b>Contribution towards CSR</b>		
Mukul Madhav Foundation	27.30	24.79
<b>Contributions paid</b>		
Finolex Industries Limited Employees' Gratuity Fund	7.43	2.71

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
<b>Amount payable towards salary and perquisites, commission and sitting fees</b>	<b>12.46</b>	<b>15.78</b>
Mr. Prakash P. Chhabria	7.22	10.72
Mr. Saurabh S. Dhanorkar	0.91	0.34
Mr. Ajit Venkataraman	-	1.76
Mr. Anil V. Whabi	-	0.02
Mr. Saumya Chakrabarti	0.60	0.66
Mrs. Ritu P. Chhabria	0.50	0.34
Ms. Bhumika L. Batra	0.25	0.34
Mrs. Kanchan U. Chitale	0.50	0.34
Dr. Deepak R. Parikh	0.25	0.34
Mr. Pradeep R. Rath	0.30	0.44
Mr. Anami N. Roy	0.25	0.34
Mr. Debabrata Sarkar	0.25	-
Mr. Vijay N Bhatt	0.30	-
Mr. Aditya Sapru	0.25	-
Mr. Munesh Khanna	0.25	-
Mr. Rajesh Rath	0.25	-
Mr. Pradeep Udhas	0.25	-
Mr. Niraj Kedia	-	0.10
Mr. Chandan Verma	0.05	-
Mr. Ashutosh Kulkarni	-	0.02
Mr. Dakshinamurthy Iyer	0.04	-
Ms. Gayatri Chhabria	0.04	0.02
<b>Amount receivable from</b>	<b>0.28</b>	<b>0.34</b>
Finolex Industries Limited Employees' Gratuity Fund	0.28	0.34

\*As post employment obligations and other long-term employee benefits/obligation are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

### Terms and conditions of transactions with related parties

Transaction entered into with related parties are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

## 38 Commitments and contingencies

### 38.1 Commitments

#### a) Capital commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2025 ₹ 18.66 Crore (March 31, 2024: ₹ 51.49 Crore)

#### b) Other commitments:

Aggregate amount of bank guarantees outstanding as on March 31, 2025 is ₹ 64.51 Crore (March 31, 2024: ₹ 39.07 Crore)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 38.2 Contingent liabilities

Particulars	March 31, 2025	March 31, 2024
<b>Claims against the Company not acknowledged as debt in respect of:</b>		
a) Income-tax matters	12.32	14.24
b) Excise/ Customs/ Service tax matters	48.71	60.39
c) Sales tax matters	1.33	2.11
d) Consumer protection matters	0.18	0.25

- It is not practicable for the Holding Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The amounts disclosed above represent the best possible estimates arrived at on the basis of available information.
- The Holding Company is contesting all of the above demands and the management believes that its positions are likely to be upheld by the respective courts. The management believes that the ultimate outcome of these proceedings are not expected to have a material impact on the Holding Company's consolidated financial statements and hence no provisions have been made in this regard.

Refer note 43 for the Holding Company's share in capital commitments and contingent liabilities of its associates.

## 39 Fair value of financial assets and liabilities

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at (i) fair value (ii) measured at amortised cost and for which fair values are considered to be same as the amortised costs disclosed in the financial statements. They are further classified into Level 1 to Level 3 as required by the Ind AS and described in the significant accounting policies of the Holding Company. Further, the note describes valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

### Classification of financial instruments by category into levels of fair value hierarchy as at March 31, 2025:

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non-current investments:</b>							
<b>Investment in equity shares/ bonds of:</b>							
<b>Quoted</b>							
Equity instruments	-	0.71	-	-	2,026.46	-	-
Bonds and debentures	166.00	-	-	-	-	-	-
<b>Unquoted</b>							
Equity instruments*	0.32	-	-	-	-	12.42	-
Deposits with non banking financial institutions	393.52	-	-	-	-	-	-
<b>Current investments:</b>							
Investments in units of mutual funds (Quoted)	-	1,909.66	-	-	-	-	-
Bonds	234.39	-	-	-	-	-	-
Deposits with Non banking financial institutions	-	-	-	-	-	-	-
Commercial papers	-	-	-	-	-	-	-
<b>Trade and other receivables</b>	<b>379.25</b>	-	-	-	-	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Loans</b>	<b>13.28</b>	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	<b>44.39</b>	-	-	-	-	-	-
<b>Other bank balances</b>	<b>80.97</b>	-	-	-	-	-	-
<b>Other financial assets</b>	<b>27.92</b>	-	-	-	-	-	-
<b>Total</b>	<b>1,340.04</b>	<b>1,910.37</b>	-	-	<b>2,026.46</b>	<b>12.42</b>	-
<b>Financial liabilities</b>							
Borrowings	221.08	-	-	-	-	-	-
Trade payables	444.16	-	-	-	-	-	-
Other financial liabilities	264.45	-	-	-	-	-	-
Lease liabilities	15.67	-	-	-	-	-	-
<b>Total</b>	<b>945.36</b>	-	-	-	-	-	-

### Classification of financial instruments by category into levels of fair value hierarchy as at March 31, 2024:

Particulars	Amortised Cost	FVTPL			FVTOCI		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Non-current investments:</b>							
<b>Investment in equity shares of:</b>							
<b>Quoted</b>							
Equity instruments	-	0.69	-	-	2,220.93	-	-
Bonds and debentures	244.63	-	-	-	-	-	-
<b>Unquoted</b>							
Equity instruments	0.34	-	-	-	-	12.45	-
Deposits with Non banking financial institutions	64.12	-	-	-	-	-	-
<b>Current investments:</b>							
Investments in units of mutual funds (Quoted)	-	1,614.48	-	-	-	-	-
Bonds	126.09	-	-	-	-	-	-
Deposits with Non banking financial institutions	116.39	-	-	-	-	-	-
Commercial papers	48.19	-	-	-	-	-	-
<b>Trade and other receivables</b>	<b>457.63</b>	-	-	-	-	-	-
<b>Loans</b>	<b>16.85</b>	-	-	-	-	-	-
<b>Cash and cash equivalents</b>	<b>2.15</b>	-	-	-	-	-	-
<b>Other bank balances</b>	<b>29.50</b>	-	-	-	-	-	-
<b>Other financial assets</b>	<b>41.35</b>	-	-	-	-	-	-
<b>Total</b>	<b>1,147.24</b>	<b>1,615.16</b>	-	-	<b>2,220.93</b>	<b>12.45</b>	-
<b>Financial liabilities</b>							
Borrowings	381.95	-	-	-	-	-	-
Trade payables	288.64	-	-	-	-	-	-
Other financial liabilities	343.89	-	-	-	-	-	-
Lease liabilities	12.00	-	-	-	-	-	-
<b>Total</b>	<b>1,026.48</b>	-	-	-	-	-	-



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## Valuation techniques used to determine the fair value of each financial instrument:

### Fair value of financial instruments classified at amortised cost:

The management assessed that the fair values of cash and bank, loans, trade receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Carrying value of non-current financial liabilities are considered to be same as their fair value due to discounting at rate which are an approximation of incremental borrowing rate.

### Fair value of financial instruments classified at FVTPL:

These financial instruments consist of investment in quoted equity instruments and units of mutual funds. The fair value of quoted equity instruments is based on the respective quoted price in the active markets as at the measurements date and fair value of investment in mutual funds is determined using the quoted price Net Asset Value ( 'NAV' ) of the respective units in the active market at the measurement date.

### Fair value of financial instruments classified at FVOCI:

These financial instruments consist of investments in equity instruments. The fair value of quoted equity instruments is based on the respective quoted price in the active markets as at the measurement date. The fair value of investments in unquoted equity shares has been estimated using the net asset method. The valuation requires to consider the cost of replacement of an asset as an indication of the fair market value of that asset.

During the year ended March 31, 2025 and March 31, 2024, there were no transfers between hierarchies of fair value measurements.

The Holding Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Holding Company internally reviews valuations, including independent price validation for certain instruments.

## 40 Financial risk management objective and policies

Risk Category	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances, trade receivables and other financial assets.	Ageing analysis, credit ratings	Diversification of bank deposits, portfolio diversification for investments, credit limits.
Liquidity risk	Borrowings, trade payables, lease liabilities and other financial liabilities	Rolling cash flow forecasts	Management ensure that the future cash flow needs are met through cash flow from the operating activities and current borrowings from banks.
Market risk-interest rate risk	No risk since the Holding Company has no exposure of long term borrowings	Not applicable	Not applicable
Market risk-currency risk	Recognised financial liabilities not denominated in Indian Rupee	Sensitivity analysis	Natural hedge
Market risk-price risk	Commodity and Investments	Sensitivity analysis	Natural hedge and portfolio diversification respectively

The Holding Company's principal financial liabilities comprise current borrowings, trade payables, lease liabilities and other financial liabilities. The Holding Company's principal financial assets include investments, trade receivables and cash and cash equivalents and other bank balances that arrive directly from its operations.

The Holding Company is exposed to market risk, credit risk and liquidity risk. The Holding Company's management oversees the management of these risks. The Holding Company's management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework. The risk management committee provides assurance to the Holding Company's management that the Holding Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Holding Company's policies appetite. It is the Holding Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## i) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Holding Company evaluates credit risk with respect to trade receivables as significantly low, as its payment terms are mostly advance basis.

### a) Trade receivables

In respect of trade receivables, the Holding Company is not exposed to any significant credit risk exposure to any single counter party or any group of counter parties having similar characteristics. Trade receivables consist of a large number of customers. The Holding Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

### b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Holding Company's treasury department in accordance with Holding Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Holding Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment, the Holding Company adjust it's exposure to various counterparties. The Holding Company's maximum exposure to credit risk for the other components of balance sheet is the carrying amount as disclosed below:

Particulars	Asset group	Carrying amount net of impairment provision	
		As at March 31 2025	As at March 31 2024
Financial assets for which credit risk has not increased significantly from inception	Investments	4,743.48	4,448.31
	Loans	13.28	16.85
	Other financial assets	27.92	41.35

## ii) Liquidity risk

Liquidity risk is the risk that the Holding Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. The Holding Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. The Holding Company closely monitors its liquidity position and deploys a robust cash management system. The Holding Company manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Holding Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The following tables summarise the maturity profile of the Holding Company's financial liabilities based on contractual undiscounted payments.

### As at March 31, 2025

Particulars	On demand	< 3 months	3-12 months	1-5 years	Total
Current borrowings	-	221.08	-	-	221.08
Trade payables	71.25	372.91	-	-	444.16
Lease liabilities	-	1.75	5.32	10.34	17.41
Other financial liabilities	28.43	71.52	163.83	0.67	264.45

### As at March 31, 2024

Particulars	On demand	< 3 months	3-12 months	1-5 years	Total
Current borrowings	-	381.95	-	-	381.95
Trade payables	34.85	253.79	-	-	288.64
Lease liabilities	-	0.89	2.73	10.43	14.05
Other financial liabilities	29.24	75.59	238.86	0.20	343.89

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(All amounts in ₹ Crore, unless otherwise stated)

## iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, trade receivables, investments, other financial liabilities.

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt, proportion of financial instruments in foreign currencies are all constant at March 31, 2025.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post retirement obligations and provisions the Holding Company's activities expose it to variety of financial risks, including effect of changes in foreign currency exchange rate and interest rate."

### a) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Holding Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities on account of import of raw materials.

PVC pricing is on import parity and import parity value of sales of the Holding Company exceeds the United States Dollar (USD) payables on a six monthly rolling basis and hence the Holding Company does not generally need to resort to hedging by way of forward contracts, options, etc.

#### Details of foreign currency exposures (unhedged)

Nature of exposure	Currency	As at March 31 2025	As at March 31 2024
<b>Financial liabilities</b>			
Borrowings (Unsecured)	USD	2.59	4.57
Interest on borrowings	USD	0.02	0.04
Trade payables	USD	3.06	1.40
Trade payables	GBP	- #	- #
Trade payables	EURO	0.01	0.01

USD - United States Dollar

GBP - Great Britain Pound

#### Currency wise net exposure (liabilities - assets)

Nature of exposure	Amount in Foreign Currency	
	March 31, 2025	March 31, 2024
USD	5.66	6.00
EURO	0.01	0.01
GBP	- #	- #

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts in ₹ Crore, unless otherwise stated)

## Sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD, GBP and EURO exchange rates, with all other variables held constant. The impact on the Holding Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Holding Company's pre-tax equity is due to changes in the profit before tax.

Particulars	March 31, 2025	March 31, 2024
<b>Net hedged exposure in INR</b>		
USD	484.17	500.58
EURO	0.91	0.54
GBP	0.00 <sup>#</sup>	0.00 <sup>#</sup>

As at	Change in USD rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	24.21	18.12
	-5%	(24.21)	(18.12)
March 31, 2024	+5%	25.03	18.73
	-5%	(25.03)	(18.73)

As at	Change in Euro rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	0.05	0.03
	-5%	(0.05)	(0.03)
March 31, 2024	+5%	0.03	0.02
	-5%	(0.03)	(0.02)

As at	Change in GBP rate	Impact on profit before tax and equity	Impact on profit after tax and equity
<b>March 31, 2025</b>	+5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
	-5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
March 31, 2024	+5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>
	-5%	0.00 <sup>#</sup>	0.00 <sup>#</sup>

<sup>#</sup> Amount is below the rounding off norm adopted by the Holding Company.

## b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Holding Company has current borrowings with fixed interest rates and hence the future cash-flows of relevant financial instrument are not affected by changes in market interest rate.

## c) Price risk

### i) Commodity price risk

The Holding Company is affected by the volatility of prices of certain commodity chemicals (Ethylene and PVC) and intermediate products (Ethylene and Ethylene Dichloride ('EDC') and Vinyl Chloride Monomer ('VCM')). Its operating activities involve the ongoing purchase of VCM, EDC, all being petrochemical products for manufacturing of PVC and pipes and fittings and therefore require a continuous supply of these materials. Prices of PVC manufactured by the Company are monitored by the Holding Company's management and are adjusted to respond to change in import parity price of PVC in Indian market. Market price of input and output, generally get adjusted over a period of time. Accordingly, the Holding Company is exposed to the variation in prices over short term period.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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(All amounts in ₹ Crore, unless otherwise stated)

## Commodity price sensitivity

The following table shows the effect of price changes for VCM, Ethylene EDC:

	Change in year-end price	Effect on profit before tax
<b>March 31, 2025</b>		
VCM	+5%	17.29
	-5%	(17.29)
Ethylene	+5%	15.73
	-5%	(15.73)
EDC	+5%	16.73
	-5%	(16.73)
<b>March 31, 2024</b>		
VCM	+5%	19.85
	-5%	(19.85)
Ethylene	+5%	14.73
	-5%	(14.73)
EDC	+5%	16.76
	-5%	(16.76)

## ii) Equity price risk

The Holding Company's listed and unlisted equity securities are susceptible to market-price risk arising from uncertainties about future values of the investment securities. The equity securities held by the Holding Company are strategic in nature. The Holding Company's Board of Directors reviews and approves all equity investment decisions.

Particulars	March 31, 2025	March 31, 2024
<b>Fair value</b>		
Unquoted equity securities	12.42	12.45
Quoted equity securities	2,027.17	2,221.62

	Change in year-end price	Effect on profit before tax	Effect on OCI
<b>March 31, 2025</b>			
Unquoted equity securities	+10%	-	1.24
	-10%	-	(1.24)
Quoted equity securities	+10%	0.07	202.65
	-10%	(0.07)	(202.65)
<b>March 31, 2024</b>			
Unquoted equity securities	+10%	-	1.25
	-10%	-	(1.25)
Quoted equity securities	+10%	0.07	222.09
	-10%	(0.07)	(222.09)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 4.1 Capital management

Capital includes equity shares and other equity attributable to the equity holders of the Holding Company. The primary objective of the Holding Company's capital management is to ensure its ability to continue as going concern, maintain a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Holding Company is not subject to externally imposed capital requirement. The Holding Company manages its capital structure and makes adjustments to maintain efficient financing structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Holding Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Holding Company monitors capital using a gearing ratio, which is total debt divided by total capital plus other equity.

Particulars	March 31, 2025	March 31, 2024
Borrowings-Buyer's credit and cash credit	221.08	381.95
<b>Debt</b>	<b>221.08</b>	<b>381.95</b>
Share capital	123.67	123.67
Other equity	5,973.20	5,510.60
<b>Total equity</b>	<b>6,096.87</b>	<b>5,634.27</b>
<b>Debt/equity ratio</b>	<b>3.63%</b>	<b>6.78%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

### (Net debt)/surplus reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2025.

Particulars	March 31, 2025	March 31, 2024
Cash and other liquid assets	2,240.99	1,907.56
Current borrowings	(221.08)	(381.95)
<b>Net surplus</b>	<b>2,019.91</b>	<b>1,525.61</b>

Particulars	Other Assets	Liabilities from financing activity	TOTAL
	Cash and cash equivalents	Current borrowings	
<b>(Net debt)/Surplus as on April 01, 2024</b>	<b>1,907.56</b>	<b>(381.95)</b>	<b>1,525.61</b>
Cash Inflow/(outflow)	333.43	160.87	494.30
<b>(Net debt)/Surplus as on March 31, 2025</b>	<b>2,240.99</b>	<b>(221.08)</b>	<b>2,019.91</b>



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 42 Disclosure pursuant to Ind AS 116

- (a) The Holding Company as a lessee has obtained certain assets such as immovable properties on leasing arrangements for the purposes of manufacturing and storage facilities. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a corresponding lease liability. Variable lease payment which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Holding Company has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Holding Company to sub-lease the asset to another party, the right-of-use asset can only be used by the Holding Company. Some lease contain an option to extend the lease for a further term.
- (b) Additional information on extension/ termination options: Extension and termination options are included in a number of property lease arrangements of the Holding Company. These are used to maximise operational flexibility in terms of managing the assets used in the Holding Company's operations. The majority of extension and termination options held are exercisable based on consent of the Holding Company.
- (c) There are no leases which are yet to commence as on March 31, 2025 and as on March 31, 2024.

(d) Lease payments, not included in measurement of liability

The Holding Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	March 31, 2025	March 31, 2024
Short-term leases	4.60	2.01
Cancellable leases	-	-
Variable lease payments	-	-
	<b>4.60</b>	<b>2.01</b>

- 1) As at March 31, 2025, the Holding Company was committed to short-term leases and the total commitment at that date was ₹ 9.25 Crore (March 31, 2024: ₹ 10.18 Crore).
- 2) Total cash outflow for leases for the year ended March 31, 2025 is ₹ 11.39 Crore (March 31, 2024: ₹ 5.45 Crore).

(e) Total undiscounted future lease payments relating to underlying leases are as follows:

Particulars	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
<b>As at March 31, 2025</b>					
Lease payments	7.07	7.43	2.91	-	17.41
<b>As at March 31, 2024</b>					
Lease payments	3.62	3.80	6.63	-	14.05

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

### (f) Amount recognised in the consolidated balance sheet:

Particulars	March 31, 2025	March 31, 2024
<b>(i) Right-of-use assets</b>		
Leased premises and buildings	16.00	13.17
<b>Total</b>	<b>16.00</b>	<b>13.17</b>
<b>(ii) Lease liabilities</b>		
Non-current	9.50	9.54
Current	6.17	2.46
<b>Total</b>	<b>15.67</b>	<b>12.00</b>

### (g) Amount recognised in the consolidated statement of profit and loss:

Particulars	March 31, 2025	March 31, 2024
(i) Depreciation expense	6.18	3.42
(ii) Interest expense (included in finance cost)	1.46	1.13
<b>Total</b>	<b>7.64</b>	<b>4.55</b>

### (h) Information about extension and termination options (except short-term leases)

Right-of-use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Building premises and other storage facilities	3	3	2	3	0	3

## 43 Investment in associates:

The Holding Company has investments in two associate entities—Finolex Plasson Industries Private Limited (FPIPL) and Pawas Port Limited (PPL). In accordance with the equity method prescribed under Ind AS 28, Investments in Associates and Joint Ventures, the Holding Company consolidates its equity interests of 46.35% in FPIPL and 49.99% in PPL.

FPIPL, headquartered in Urse near Pune, is engaged in the manufacturing of micro irrigation systems, including fittings, accessories, and a comprehensive range of irrigation components. PPL, based in Chinchwad near Pune, specializes in civil construction and infrastructure development.

### Summarised financial information of the above mentioned associates is as below:

Particulars	March 31, 2025		March 31, 2024	
	FPIPL	PPL	FPIPL	PPL*
Cash and cash equivalents	8.48	0.00	3.06	-
Current assets	462.64	0.10	369.09	-
Non-current assets	68.19	-	67.90	-
Current liabilities	174.26	0.00	136.16	-
Non-current liabilities	6.66	-	6.95	-
Net assets	358.39	0.10	296.94	-
<b>Proportion of the Holding Company's ownership</b>	<b>46.35%</b>	<b>49.99%</b>	<b>46.35%</b>	<b>-</b>
<b>Proportion of the Holding Company's ownership in net assets</b>	<b>166.11</b>	<b>0.05</b>	<b>137.63</b>	<b>-</b>
				-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

Particulars	March 31, 2025		March 31, 2024	
	FPIPL	PPL	FPIPL	PPL*
Revenue from operations	531.12	-	511.08	-
Profit after tax	65.15	-.#	61.57	-
Other comprehensive income for the year	(0.21)	-	(0.06)	-
Total comprehensive income for the year	64.95	-.#	61.51	-
<b>Holding Company's share of total comprehensive income for the year</b>	30.10	-.#	28.51	-
<b>Dividends received from the associates</b>	<b>1.62</b>	-	<b>1.16</b>	-

## Reconciliation to carrying amounts:

Particulars	March 31, 2025		March 31, 2024	
	FPIPL	PPL	FPIPL	PPL*
<b>Net assets as at April 1, 2023</b>	<b>296.94</b>	<b>0.10</b>	<b>237.93</b>	-
Profit after tax	65.15	-.#	61.57	-
Other comprehensive income for the year	(0.21)	-	(0.06)	-
Dividends paid including dividend distribution tax	(3.50)	-	(2.50)	-
<b>Net assets as at March 31, 2024</b>	<b>358.39</b>	<b>0.10</b>	<b>296.94</b>	-
<b>Proportion of the Holding Company's ownership</b>	<b>46.35%</b>	<b>49.99%</b>	<b>46.35%</b>	-
<b>Proportion of the Holding Company's ownership in net assets</b>	<b>166.11</b>	<b>0.05</b>	<b>137.63</b>	-
<b>Carrying amount of investment in the associates</b>	<b>166.11</b>	<b>0.05</b>	<b>137.63</b>	-

## Reconciliation to carrying amounts:

Particulars	March 31, 2025		March 31, 2024	
	FPIPL	PPL	FPIPL	PPL*
Total revenue	534.43	0.01	515.62	-
Total expenses	447.75	0.01	433.15	-
Profit for the year	65.15	-.#	61.57	-
Other comprehensive income	(0.21)	-	(0.06)	-
<b>Total comprehensive income</b>	<b>64.95</b>	<b>-.#</b>	<b>61.51</b>	-

# Amount is below the rounding off norm adopted by the Holding Company.

## Share in capital commitments and contingent liabilities of associates:

Particulars	March 31, 2025		March 31, 2024	
	FPIPL	PPL	FPIPL	PPL*
<b>a) Share in capital commitments (net of capital advances)</b>	0.43	-	2.36	-
<b>b) Share in claims against the associate company not acknowledged as debts - matters subjudiced</b>				
i) Share of sales tax matters	0.11	-	0.11	-
ii) Share in other matters	0.35	-	0.35	-
<b>Total</b>	<b>0.89</b>	-	<b>2.82</b>	-

\*The Holding Company has consolidated its equity interest in PPL for Ind AS 28 for the first time in this financial year being an immaterial associate and hence comparative information has not been furnished.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 44 Utilization of borrowed funds:

During the years ended March 31, 2025 and March 31, 2024:

- (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) No funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 45 Undisclosed income:

There are no transactions that have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

## 46 Details of crypto currency or virtual currency:

The Holding Company has not traded or invested in crypto currency or virtual currency during the current year and previous year.

## 47 Transactions with struck-off companies:

The Holding Company does not have any transaction or outstanding balance with struck-off companies under section 248 of the Act or section 560 of Companies Act, 1956, during current and previous year.

## 48 Compliance on number of layers:

The Holding Company has complied with the number of layers prescribed under section 2(87) of the Act.

## 49 Revaluation of property, plant and equipment and intangible assets:

The Holding Company have not revalued its property, plant and equipment and intangible assets during the current year and previous year.

## 50 Compliance on scheme of arrangement:

The Holding Company covered under the Act has not entered into any scheme of arrangement in terms of section 230 to 237 of the Act during the current year and previous year.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

as at and for the year ended March 31, 2025

(All amounts in ₹ Crore, unless otherwise stated)

## 51 Recording audit trail:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Holding Company uses the accounting software SAP for maintaining its books of account. During the year ended 31 March 2025, the Holding Company had not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same would consume storage space on the disk and can impact database performance significantly. The users of the Holding Company do not have any access to database IDs with DML (Data Manipulation Language) authority which can make direct data changes (create, change, delete) at database level. Audit trail (edit log) is enabled at the application level.

## 52 Previous year comparatives:

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classifications / disclosures. The impact of such regroupings/ reclassifications are not material to the consolidated financial statements.

The accompanying notes including a summary of material accounting policy information and other explanatory information form an integral part of these consolidated financial statements.

As per our report of even date.

**For and behalf of the Board of Directors of Finolex Industries Limited**

### For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

### Rajni Mundra

Partner

Membership No.: 058644

**Place:** Mumbai

**Date:** May 23, 2025

### Saurabh S. Dhanorkar

Managing Director

DIN: 00011322

### Dakshinamurthy Iyer

Company Secretary

**Place:** Mumbai

**Date:** May 23, 2025

### Vijay Bhatt

Director

DIN: 00751001

### Chandan Verma

Chief Financial Officer

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Crore )

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
The Company does not have subsidiary Company, hence this part is not applicable.														

Notes: The following information shall be furnished at the end of the statement:

- 1
- Names of subsidiaries which are yet to commence operations
- 2
- Names of subsidiaries which have been liquidated or sold during the year.



# FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates / Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the Company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation (only holding % considered) (-ve indicate loss)
1			2	3	4	5	6			
1	Finolex Plasson Industries Pvt. Ltd.	31.03.2025	4635000	7.50	46.35	Voting power	N.A.	166.11	30.20	Nil
2	Pawas Port Limited	31.03.2025	49,994	0.05	49.99	Voting power	N.A.	0.05	-.#	Nil

#Amount is below the rounding off norm adopted by the Holding Company.

### For and behalf of the Board of Directors of Finolex Industries Limited

**Saurabh S. Dhanorkar**  
Managing Director  
DIN: 00011322

**Vijay Bhatt**  
Director  
DIN: 00751001

**Dakshinamurthy Iyer**  
Company Secretary

**Chandan Verma**  
Chief Financial Officer

**Place:** Mumbai  
**Date:** May 23, 2025



## NOTICE

**NOTICE** is hereby given that the Forty-Fourth (44<sup>th</sup>) Annual General Meeting (AGM) of the members of Finolex Industries Limited (the "Company") will be held on Friday, September 12, 2025 at 4.00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### Ordinary Business

#### 1. To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors and the Auditors thereon.
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 together with the Report of the Auditors thereon.

#### 2. Declaration of Dividend

To declare dividend on equity shares of the Company for the financial year ended March 31, 2025.

#### 3. Re-appointment of Mrs. Ritu Prakash Chhabria (DIN: 00062144) as a Director liable to retire by rotation

To appoint a director in place of Mrs. Ritu Prakash Chhabria (DIN: 00062144) who retires by rotation, and being eligible, offers herself for re-appointment.

### Special Business

#### 4. Ratification of the remuneration paid to M/s. S.R. Bhargave & Co., the Cost Auditors for the financial year ending March 31, 2026

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any of the Companies Act, 2013 (the 'Act') read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) modification(s) or re-enactment thereof for the time being in force) and subject to guidelines and approvals as may be required from the Central Government, a remuneration of ₹5,00,000 (Rupees Five Lakhs only) plus applicable taxes and reimbursement of out of pocket expenses at actuals be paid to M/s. S.R. Bhargave & Co., Cost Accountants, Pune, (Firm Registration No. 000218) the Cost Auditors appointed by the Board of Directors (the "Board") of the Company

to conduct the audit of the cost records of the Company for the financial year 2025-26, be and is hereby ratified, approved and confirmed.

**RESOLVED FURTHER THAT** the Board be and is hereby jointly and severally authorized to do all such acts, matters, deeds and things and give such directions as may be considered, proper, necessary, relevant, usual, customary and/or expedient to give effect to this Resolution."

#### 5. Appointment of Mr. Udipt Agarwal (DIN: 11219144) as a Director of the Company

To consider, and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of Mr. Udipt Agarwal (DIN: 11219144), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 5, 2025 under the power granted to the Board of Directors of the Company under Section 161(1) of the Companies Act, 2013 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of a Director, as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby jointly and severally authorised to do all such acts, matters, deeds and things and give such directions as may be considered, proper, necessary, relevant, usual, customary and/or expedient to give effect to this Resolution."

#### 6. Appointment of Mr. Udipt Agarwal (DIN: 11219144) as a Managing Director of the Company

To consider, and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 read with Schedule V and Section 203 and all other applicable provisions of the Act and the Rules made thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of Mr. Udipt Agarwal (DIN: 11219144), for a term of five years liable to retire by rotation, as a Whole-time Director of the Company, to hold office from September 5, 2025 to October 31, 2025 and as a Managing Director of the Company to hold office commencing from November 1, 2025 to September 4, 2030, on the terms and conditions including those relating to remuneration as set out under the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of Mr. Udipt Agarwal, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to herein after includes any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby jointly and severally authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

#### **7. Appointment of Mr. Rambabu Sanka (DIN: 11218997) as a Director of the Company**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of Mr. Rambabu Sanka (DIN: 11218997), who was appointed as an Additional Director of the Company by the Board of Directors with effect August 2, 2025 under the power

granted to the Board of Directors of the Company under Section 161(1) of the Companies Act, 2013 and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of a Director, as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby jointly and severally authorized to do all such acts, matters, deeds and things and give such directions as may be considered, proper, necessary, relevant, usual, customary and/or expedient to give effect to this Resolution.

#### **8. Appointment of Mr. Rambabu Sanka (DIN: 11218997) as a Whole-time Director of the Company designated as Director – Technical**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 198 read with Schedule V and Section 203 and all other applicable provisions of the Act and the Rules made thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the Members be and is hereby accorded for the appointment of Mr. Rambabu Sanka (DIN: 11218997) as a Whole-time Director of the Company and designated as Director – Technical for a term of five years commencing from August 2, 2025 to August 1, 2030, liable to retire by rotation, on the terms and conditions including those relating to remuneration as set out under the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of Mr. Rambabu Sanka, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to herein after includes any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

## 9. Appointment of M/s. SVD & Associates, Company Secretaries (Peer review No. 6357/2025) as Secretarial Auditors of the Company

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as per the recommendations of the Audit Committee and the Board of Directors of the Company, the consent

of the Members be and is hereby accorded for appointment of M/s. SVD & Associates, Company Secretaries (Peer review No. 6357/2025) as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years, to conduct the Secretarial Audit of the Company for the Financial Year 2025-26 to Financial Year 2029-30.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to determine the remuneration of the Secretarial Auditors including the revision in the remuneration during the tenure, if any, basis the inflation, in consultation with the Secretarial Auditors, in addition to reimbursement of all out-of-pocket expenses, to be incurred by them in connection with the Secretarial Audit and to file necessary forms with Registrar of Companies and to do all such acts, deeds and things, as may be necessary, to give effect to the above said resolution.

**Place:** Pune  
**Date:** August 2, 2025

By Order of the Board of Directors  
For **Finolex Industries Limited**

Sd/-  
**Dakshinamurthy Iyer**  
Company Secretary & Head Legal  
M No.: A13004

## Notes:

1. The Ministry of Corporate Affairs ('MCA'), inter-alia, vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 read with subsequent latest circular 09/2024 dated September 19, 2024 in this regard (collectively referred to as 'MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue.)

Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

In compliance with the applicable provisions of the Act, MCA Circulars and SEBI Listing Regulations, the Forty-Fourth (44<sup>th</sup>) Annual General Meeting (AGM) of the Company is being held through VC/OAVM on Friday, September 12, 2025 at 4.00 p.m. (IST). The proceedings of the AGM will be deemed to be

conducted at the Registered Office of the Company situated at Gat No.399, Village Urse, Taluka Maval, District Pune – 410 506 (Maharashtra).

2. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item Nos. 4 to 9, forms part of this Notice. Additional information, pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director(s) seeking appointment(s)/re-appointment(s) at the 44<sup>th</sup> Annual General Meeting ('Meeting' or 'AGM') is annexed to this Notice.
3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since, this AGM is being held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.

4. **Unclaimed Dividend:** Members are requested to note that dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") in terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013. The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. In view of this, members/claimants are requested to claim their unpaid/unclaimed dividends from FY 2017-18 till date, on or before Monday, November 3, 2025.

Members whose unclaimed dividends or shares have been transferred to the Investor Education and Protection Fund (IEPF) may write to the Company or its Registrar and Transfer Agent (RTA) to obtain guidance on the procedure for claiming such dividends or shares from the IEPF Authority. Upon the shareholder/claimant complying with the advised procedure and submitting the requisite documents, the Company shall issue an Entitlement Letter. Members can then submit the Entitlement Letter along with Form IEPF-5 and other required documents, as specified on [www.iepf.gov.in](http://www.iepf.gov.in), to claim their shares from the IEPF Authority.

For details, please refer to the Corporate Governance Report which forms part of this Annual Report and the investor page on the Company's website <https://www.finolexpipes.com/investors/compliance-report/>

Members who have not claimed dividends from the Financial Year 2017-18 onwards are requested to approach the Company/Registrar and Share Transfer Agent, KFin Technologies Limited ('KFin'), for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF's demat account.

5. Members desirous of obtaining any information concerning the accounts and operations of the Company for the financial year ended on March 31, 2025 are requested to address their questions to the Company Secretary at [investors@finolexind.com](mailto:investors@finolexind.com) and reach us on or before Saturday, September 6, 2025. This will ensure that the requested information may be made available.
6. All documents referred to in the notice and the explanatory statement annexed thereto requiring the approval of the members at the Meeting will be made available for inspection.

Electronic copies of necessary statutory registers, certificate(s) agreement(s) and other documents,

if any, shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at [investors@finolexind.com](mailto:investors@finolexind.com) from the members during the AGM through KFin platform.

7. The recorded transcript of the AGM shall also be made available as soon as possible on the website of the Company at [www.finolexpipes.com](http://www.finolexpipes.com).

## 8. Information relating to obtaining Annual Report through e-mail

In line with the MCA and SEBI Circulars, Notice of the AGM along with the Annual Report for Financial Year 2024-25 are being sent only through electronic mode to those members whose email addresses are registered with the Company/RTA/ Depositories. Members may note that the Notice and Annual Report for Financial Year 2024-25 for calling the AGM will be uploaded on the website of the Company at <https://www.finolexpipes.com/investors/financials/>. The Notice of the AGM can also be accessed from the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/> and <https://www.nseindia.com/> respectively and the same is also available on the website of e-voting agency KFin Technologies Limited at <https://evoting.kfintech.com/>

Pursuant to Sections 101 and 136 of the Act read with the relevant rules made thereunder and Regulation 36 of the SEBI Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dated October 3, 2024, companies can send Annual Reports and other communications through electronic mode to those shareholders who have registered their email id either with the Company or with the Depository Participant(s). Accordingly, the Company shall send the physical copy of Annual report of FY 2024-25 to those members who request the same at the email address of the company at [investors@finolexind.com](mailto:investors@finolexind.com) mentioning their Folio No./DP ID and Client ID.

As per Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended, a letter containing the web-link, including the exact path, where complete details of the Annual Report are available, is being sent to all the shareholders who have not registered their Email IDs with the Company or Depository Participants or KFin Technologies Limited, Registrar & Transfer Agent (RTA) of the Company.



The Company will also publish an advertisement in the newspaper containing details about the e-AGM i.e. the conduct of AGM through VC/OAVM, date and time of AGM, availability of notice of AGM at the Company's website and manner of registering the e-mail IDs of those Members who have not registered their email addresses with the Company/RTA.

We urge all shareholders to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail.

Shareholders holding shares in dematerialised form who have not yet registered their e-mail addresses are requested to do so with their respective Depository Participants. Shareholders holding shares in physical form are requested to update their e-mail addresses by following the procedure detailed in the 'Instructions for Remote E-voting' section, for receiving all communication, including Annual Reports, Notices, Circulars, etc. from the Company electronically.

## 9. Information relating to attendance at the e-AGM (Meeting)

Pursuant to the circular(s) of MCA on the VC/OAVM (e-AGM), please note the following relating to attendance at the e-AGM:

- a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
- b. Since the e-AGM is being held pursuant to MCA circulars through VC/OAVM facility, appointment of proxy to attend and cast vote on behalf of the member is not available and hence the Proxy Form and Attendance Slip are not annexed to this notice.
- c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate and cast their votes through e-voting.
- d. Corporate and/or Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to attend and vote, to the Scrutinizer at e-mail ID: [cs@svdandassociates.com](mailto:cs@svdandassociates.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [investors@finolexind.com](mailto:investors@finolexind.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. \_\_\_\_\_". The documents should reach the Scrutinizer on or before Wednesday, September 10, 2025 (5.00 p.m. IST).

- e. Members can join the e-AGM, 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- f. Up to 1000 members will be able to join e-AGM on FIFO basis.
- g. No restrictions on account of FIFO entry into e-AGM will apply in respect of large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc.
- h. The attendance of the Members (member logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- i. The facility of attending e-AGM through VC/OAVM shall be closed within 15 minutes after the meeting is concluded.

## 10. Instructions for the Members for attending the e-AGM through VC/OAVM:

- a. Member will be able to attend the e-AGM through VC / OAVM platform provided by KFin Technologies Limited by using their e-voting login credentials or using registered mobile number and OTP or using registered email ID and OTP after selecting the meeting from drop-down option and selecting the EVEN for the Company's AGM and by following the process as detailed hereunder:
  - i. Member will be provided with a facility to attend the AGM through VC/OAVM platform provided by KFin. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFin.

After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same;





- ii. On the home page, the options to login via DP ID Client ID/Folio No. through Password/Mobile OTP will be available;
- iii. You may Enter DP ID Client ID/Folio No. and password or opt for login using mobile OTP;
- iv. If you opt to log-in through Mobile OTP, you will be required to "Select the Meeting" from the drop-down– '**FINOLEX INDUSTRIES LIMITED**';
- v. Post selection, you will be required to enter the registered mobile number and click on "Send OTP";
- vi. On successful validation of the OTP, you will be placed in the meeting home page based on the Folio Selected;
- vii. After logging in click on 'Video Conference' option;
- viii. then click on camera icon appearing against AGM event of Finolex Industries Limited, to attend the Meeting.
- b. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- c. Members are requested to enable their camera, if applicable, and ensure a stable high-speed internet connection to avoid disruptions during the meeting.
- d. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- e. Members who do not have USER ID and Password for E-voting or have forgotten the User ID and Password may retrieve the same by following the procedure provided in the E-voting instructions.
- b. Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM.
- c. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding shares as of cut-off date i.e. Friday, September 5, 2025 will be considered.
- d. The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Members are requested to login through the user id and password provided in the mail received from KFin. On successful login, select 'Post Your Question' option which will opened from Monday, September 8, 2025 (9.00 a.m. IST) to Wednesday, September 10, 2025 (5.00 p.m. IST).

## 12. E-Voting (Voting through electronic means):

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby facilitating not only seamless authentication but also ease and convenience of participating in e-voting process.

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to offer e-voting facility which will enable all the Members to cast their votes electronically on the resolutions mentioned in the Notice of the Forty Forth (44<sup>th</sup>) Annual General Meeting of the Company. Necessary arrangements have been made by the Company with KFin Technologies Limited to facilitate e-voting. Members who have cast their votes by e-voting prior to the AGM may attend the AGM, however, they shall not be entitled to cast their votes again. The Company has appointed Mr. Sridhar Mudaliar, Partner or failing him Ms. Sheetal Joshi, Partner of SVD & Associates, Company Secretaries, Pune, as the Scrutinizer for analysing and conducting e-voting process in a fair and transparent manner.

## 11. Speaker Registration for e-AGM

- a. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting at <https://emeetings.kfintech.com> and by clicking on the tab 'Speaker Registration' during the period starting from Monday, September 8, 2025 (9.00 a.m. IST) to Wednesday, September 10, 2025 (5.00 p.m. IST).

E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on Friday, September 5, 2025 (i.e. "cut-off" date). In case a person has become a member of the Company after dispatch of AGM notice, but on or before the cut-off date for e-voting i.e. Friday, September 5, 2025, such person may obtain the User ID and password from KFin by email request on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). However, if the member is already registered with KFin for remote e-voting then member may use his/her existing User ID and Password for casting their vote.

The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

The remote e-voting period commences on Tuesday, September 9, 2025 (9.00 a.m. IST) and will conclude on Thursday, September 11, 2025 (5.00 p.m. IST), both days inclusive. The voting module shall be disabled by KFin for e-voting thereafter. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

### Instructions for remote e-voting:

The details of the process and manner for remote e-Voting and e-AGM are explained as below:

#### I. Access to Depositories e-voting system in case of individual Members holding shares in demat mode.

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li><b>Existing Internet-based Demat Account Statement ("IDeAS") facility Users:</b> <ol style="list-style-type: none"> <li>Visit the e-services website of NSDL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li> <li>On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password.</li> <li>After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed.</li> <li>Click on company name i.e. '<b>FINOLEX INDUSTRIES LIMITED</b>' or e-voting service provider i.e. KFin.</li> <li>Members will be re-directed to KFin's website for casting their vote during the remote e-voting period.</li> </ol> </li> <li><b>Those not registered under IDeAS:</b> <ol style="list-style-type: none"> <li>Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>.</li> <li>Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open.</li> </ol> </li> </ol>

Type of Member	Login Method
	<p>v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.</p> <p>vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</p> <p>vii. Click on company name i.e <b>FINOLEX INDUSTRIES LIMITED</b> or e-voting service provider name i.e KFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period.</p> <p>viii. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p>

NSDL Mobile App is available on



Individual Members  
holding securities in  
demat mode with CDSL

### 1. Existing user who have opted for Electronic Access To Securities Information (“Easi/ Easiest”) facility:

- Visit <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).
- Click on New System Myeasi.
- Login to Myeasi option under quick login.
- Login with the registered user ID and password.
- Members will be able to view the e-voting Menu.
- The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.

### 2. User not registered for Easi/ Easiest

- Visit <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> or <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration> for registering.
- Proceed to complete registration using the DP ID, Client ID (BO ID), etc.
- After successful registration, please follow the steps given in point no. 1 above to cast your vote.

### 3. Alternatively, by directly accessing the e-voting website of CDSL

- Visit [www.cdslindia.com](http://www.cdslindia.com).
- Provide demat account number and PAN.
- System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.
- After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. **FINOLEX INDUSTRIES LIMITED** or select KFin.
- Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.

Type of Member	Login Method
Individual Members login through their demat accounts / website of DPs	<ol style="list-style-type: none"> <li>Members can also login using the login credentials of their demat account through their DPs registered with the Depositories for e-voting facility.</li> <li>Once logged-in, Members will be able to view e-voting option.</li> <li>Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.</li> <li>Click on options available against '<b>FINOLEX INDUSTRIES LIMITED</b>' or 'KFin'.</li> <li>Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.</li> </ol>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

### Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 102 0990</b> and <b>1800 22 4430</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022-62343625, 022-62343626, 022-62343259</b>

## II. Access to KFin e-voting system in case of members holding shares in physical and non-individual members in demat mode.

Members whose e-mail IDs are registered with the Company / DPs, will receive an e-mail from KFin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- Launch internet browser by typing the URL: <https://emeetings.kfintech.com>.
- Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, e-mail

ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the "EVEN" i.e., 'Finolex Industries Limited' and click on "Submit".
- On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

- ix. In case you do not desire to cast your vote, it will be treated as abstained.
- x. Member may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.
- xii. Corporate and/or Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to attend and vote, to the Scrutinizer at e-mail ID: [cs@svdandassociates.com](mailto:cs@svdandassociates.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."

### III. Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

In case e-mail ID of a Member is not registered with the Company/ Depository Participant(s), then such Member is requested to register/ update their e-mail addresses with the Depository Participant (in case of shares held in dematerialised form) and with KFin (in case of Shares held in physical form) by following the procedure:

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/ MIRSD-PoD1/P/CIR/2023/37, dated March 16, 2023, holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

Form ISR 1 can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes;

- a. Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
  - b. Through hard copies which are self-attested and dated, which can be shared on the address below; or
- KFIN Technologies Limited**  
Address: Selenium Building, Tower-B,  
Plot No 31 & 32, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy, Telangana India -  
500 032.
- c. Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>; or
  - d. Through web-portal of our RTA, KFin Technologies Limited - <https://ris.kfintech.com>

Investors can download the following forms & SEBI Circulars, which are also uploaded on the website of the company and on the website of KFin Technologies Limited; <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

- a. Form ISR-1 duly filled in along with self attested supporting documents for updating KYC details;
- b. Form ISR-2 duly filled in for banker attestation of signature along with Original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/ statement;
- c. Form SH-13 for updating of Nomination for the aforesaid folio or ISR-3 for "Opt-out of the Nomination.

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at <https://evoting.kfintech.com/public/Faq.aspx> or contact KFin on 1-800-309-4001 (toll free).

Once the vote on a resolution is cast by a Member, thereafter Member shall not be allowed to change it subsequently. Further, Members who have cast their vote through remote e-voting shall not be allowed to vote again at the AGM.

**Voting at the e-AGM:** Members who are unable to vote through remote e-voting may avail the e-voting system provided by KFin Technologies Limited, at the time of e-AGM.

The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-voting during the Meeting. The Members who have cast their vote by remote e-voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.

Member(s)/shareholder(s), who will be present in the e-AGM through Video Conference facility and have not casted their vote through remote e-voting are eligible to vote through e-voting in the e-AGM.

The scrutiniser shall, immediately after the conclusion of voting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the company and make, a consolidated Scrutiniser's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him who shall countersign the same.

The Scrutinizer shall submit his report to the Chairman or a person authorised by him in writing, who shall declare the result of the voting. The results declared along with the Scrutinizer's report shall be placed on the Company's website <https://www.finolexpipes.com/investors/compliance-report/> and on the website of KFin at <https://evoting.kfintech.com>. The results shall simultaneously be communicated to BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The resolutions, if approved with requisite majority shall be deemed to be passed at the AGM of the Company.

### 13. Book Closure

The register of members and the share transfer books of the Company will remain closed from Saturday, September 6, 2025 to Friday, September 12, 2025 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2025.

### 14. GENERAL INSTRUCTIONS/ADVISORY

- i. Regulation 40 of the SEBI Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has clarified that listed companies, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this, Members holding shares in physical form are requested to submit duly filled Form ISR-4 for the above mentioned service requests along with Form ISR – 1, ISR – 2, ISR – 3, SH – 13, as may be applicable, the format of which is available on the website of KFin at <https://ris.kfintech.com/clientservices/isc/>. Further, to eliminate all risks associated with physical shares and for ease of portfolio management and improved liquidity, Members holding equity shares in physical form are requested to consider converting their holdings to demat mode.

#### ATTENTION - PHYSICAL SHAREHOLDERS

SEBI vide circular dated July 2, 2025, introduced a special six-month window (July 07, 2025 to January 06, 2026) allowing investors to re-lodge physical share transfer requests that were originally submitted before April 01, 2019 but were rejected or returned due to document deficiencies. The securities that are re-lodged for transfer shall be issued only in demat mode.

All such shareholders are requested to approach the Company's Registrar and Transfer Agent (RTA) in this regard.

- ii. SEBI has issued a circular dated March 19, 2025, titled "Harnessing DigiLocker as a Digital Public Infrastructure for Reducing Unclaimed Assets in the Indian Securities Market" to address the issue of unclaimed financial assets. This initiative enables investors to store and access information of their demat and mutual fund holdings through DigiLocker, a key Digital Public Infrastructure, benefiting investors and their families.

Shareholders can also appoint Data Access Nominees within the DigiLocker application. In case of an unfortunate event of demise of shareholder, the nominees will be provided read only access to the DigiLocker account, ensuring that essential financial information is accessible to legal heirs.



- iii. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14. The said form can be downloaded from the Company's website at <https://www.finolexpipes.com/investors/investors-relations-centre/>. Members are requested to submit the said form to their DP's in case the shares are held by them in electronic form and to the Company's RTA at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) in case the shares are held in physical form, quoting folio number.
- iv. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
- v. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
- vi. Members are requested to make all correspondence in connection with equity shares by sending an email to KFin at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or at [investors@finolexind.com](mailto:investors@finolexind.com) quoting Folio number or DP ID and Client ID, as the case may be.
- vii. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.finolexpipes.com/investors/investors-relations-centre/>.

viii. **Dividend related information:**

The Board of Directors have recommended a final dividend of ₹2/- (100%) per equity share of ₹2/- each and a special dividend of ₹1.60/- (80%) per equity share of ₹2/- each, aggregating to ₹3.60/- (180%) per equity share of ₹2/- each for the year ended March 31, 2025.

Subject to the provisions of Section 126 of the Act, dividend on equity shares, if declared at the AGM, will be credited/dispatched on/ before Saturday, October 11, 2025 as under:

- a) to all those shareholders holding shares in physical form, as per the details provided by share transfer agent of the Company i.e. KFin Technologies Limited ('KFin') to the Company, as of or before the closing hours on Friday, September 5, 2025; and
- b) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on Friday, September 5, 2025.

Pursuant to the provisions of Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') the Company has fixed Friday, September 5, 2025 as the 'Record Date' for the purpose of determining the members eligible to receive dividend for the Financial Year 2024-25.

Members may note that as per Income Tax Act, 1961, (the 'IT Act') as amended by the Finance Act, 2020, dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of Members. The Company is also required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its Members (resident as well as non-resident).

To enable compliance with TDS requirements, members holding shares in electronic mode are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants and in case shares are held in physical form, by sending documents to the Company on or before Friday, September 5, 2025 (upto 5.00 p.m. IST).

For the detailed process and formats of declaration, please refer FAQs on Tax Deduction at Source on Dividends available on the Company's website at <https://www.finolexpipes.com/investors/investors-relations-centre/>

Members are requested to refer the Company's email sent in this regard, and submit the documents on or before Friday, September 5, 2025 for tax determination/ deduction of TDS at applicable rates. The details / information for submission of documents is available on the website of the Company <https://www.finolexpipes.com/investors/investors-relations-centre/>

SEBI, vide its circular dated March 16, 2023 read with circular dated November 17, 2023 and June 10, 2024, mandated that the security holders (**holding securities in physical form**), whose folio(s) do not have PAN (Aadhar seeded) or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for payment of dividend in respect of such folios, only through electronic mode with effect from April 1, 2024, upon furnishing all the aforesaid details in entirety. Further, the Company will not dispatch the physical instrument such as banker's cheque or demand draft for the payment of dividend to the members holding shares in physical form as on record date.

Member may also refer to SEBI FAQs by accessing the link : [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf) (FAQ No 38 & 39)

To ensure timely credit of dividend through electronic mode or physical instrument such as banker's cheque or demand draft, members are requested to notify change of address or keep their latest bank account details updated with their respective Depository Participant

('DPs') and Company's Registrar and Share Transfer Agent viz., KFin Technologies Limited ('KFin') in case they hold shares in physical mode. Members are requested to send the following documents to our RTA – KFin Technologies Limited, so as to reach the RTA before the record date i.e. Friday, September 5, 2025.

For the purpose of updation of KYC details (For Physical Shareholders) against your folio, you are requested to send the details to our RTA, KFin Technologies Limited (Unit: Finolex Industries Limited), Selenium Tower-B", Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana;

- a. Through hard copies which should be self-attested and dated; **OR**
- b. Through electronic mode, provided that they are sent through E-mail id of the holder registered with RTA and all documents should be electronically/ digitally signed by the Shareholder and in case of joint holders, by first joint holder; **OR**
- c. Through web- portal of our RTA KFin Technologies Limited - <https://ris.kfintech.com>

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/ addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

#### Online Application(s) for Investor Queries

Members are requested to note that as an ongoing endeavor to enhance shareholders experience and leverage new technology, KFinTech has developed the following applications for shareholders:

**Investor Support Centre:**

Members are hereby notified that our RTA, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72 ) dated Jun 08, 2023, have created an online application which can be accessed at <https://ris.kfintech.com/default.aspx#> > Investor Services > Investor Support.

Members are required to register/signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting Details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

**Senior Citizens investor cell:**

As part of our RTA's initiative to enhance investor experience for Senior Citizens, a dedicated cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints, and queries. The Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com).

Senior Citizens (above 60 years of age) have to provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

The cell closely monitors the complaints coming from Senior Citizens through this channel and assists them at every stage of processing till closure of the grievance.

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

**KPRISM Mobile App**

Mobile applications for all users to review their portfolio being managed by KFINTECH is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.

**Online Personal Verification (OPV):**

In today's ever-changing dynamic digital landscape, security, foolproof systems and efficiency in identity verification are paramount. We understand the need to protect the interests of the shareholders and also comply with KYC standards. Ensuring security and KYC compliance is paramount of importance in today's remote world. Digital identity verification, using biometrics and digital ID document checks, helps combat fraud, even when individuals aren't physically present. To counteract common spoofing attempts, we engage in capturing liveness detection and facial comparison technology.

Our RTA has introduced an Online Personal Verification (OPV) process, based on liveness detection and document verification.

Here's how it works:

- I. Users receive a link via email and SMS.
- II. Users record a video, take a selfie, and capture an image with their PAN card.
- III. Facial comparison ensures the user's identity matches their verified ID (PAN).

## IN VIEW OF EASE OF PARTICIPATION BY MEMBERS FOLLOWING ARE KEY DETAILS REGARDING THE 44<sup>TH</sup> AGM:

Sr. No.	Particulars	Details and URL's for Access
1.	Link for participation through Video Conferencing (VC) at the AGM	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using e-Voting credentials and clicking on video conference
2.	Link for posting AGM queries and speaker registration and period of registration	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using e-Voting credentials and clicking on "post your queries" / "Speaker Registration" as the case may be
	Period of registration	<b>Commence from:</b> 9.00 a.m. on Monday, September 8, 2025 <b>Concludes on:</b> 5.00 p.m. on Wednesday, September 10, 2025
3.	Link for remote e-Voting	Members may refer to the instructions provided under "Instructions for remote e-voting" section of this Notice
4.	Username and password for VC	Members may attend the AGM through VC by accessing the link <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using the remote e-Voting credentials. Please refer the instructions provided in the Notice
5.	Helpline number for VC participation and e-Voting	Contact KFin Technologies Limited at 1800 309 4001 or write to them at <a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a>
6.	Cut-off date for e-Voting	Friday, September 5, 2025
7.	Time period for remote e-Voting	<b>Remote e-Voting commence at:</b> 9.00 a.m. on Tuesday, September 9, 2025 <b>Remote e-Voting concludes at:</b> 5.00 p.m. on Thursday, September 11, 2025
8.	Last date for publishing results of remote e-Voting and e-Voting during the AGM	Tuesday, September 16, 2025
9.	Registrar and Transfer Agent – Contact Details	<b>KFin Technologies Limited</b> <b>Unit: Finolex Industries Limited</b> Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032 Tel: +91 40 6716 1630 Toll Free no: 1800-309-4001 WhatsApp: +91 910 009 4099 E-mail id- <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="https://www.kfintech.com/">https://www.kfintech.com/</a>
10.	Finolex Industries Limited – Contact details	<b>Corporate Office:</b> Finolex Industries Limited, IndiQube 'The Kode' - 11 <sup>th</sup> Floor, S. No. 134, Hissa No. 1/38 Baner Pashan Link Road, Pune 411045 Tel: +91 20 2740 8200 Email: <a href="mailto:investors@finolexind.com">investors@finolexind.com</a>  <b>Registered Office:</b> Gat No. 399, Village Urse, Tal. Maval, Dist. Pune – 410 506, Maharashtra, India Tel: +91 2114 237251 / 253

## Explanatory Statement pursuant to Section 102 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time

The following explanatory statement sets out all material facts relating to Item Nos. 4 to 9 mentioned in the accompanying Notice dated August 2, 2025.

### Item No. 4

On the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 23, 2025 approved the appointment of M/s. S. R. Bhargave & Co., Cost Accountants, Pune, (Firm Registration No. 000218), as the Cost Auditors of the Company to conduct the audit of the cost accounting records of the Company for the financial year 2025-26, in respect of the relevant products as prescribed under the Companies (Cost Records and Audit) Rules, 2014.

It is proposed to pay a remuneration of ₹5,00,000 (Rupees Five Lakhs only), plus applicable taxes and reimbursement of actual out-of-pocket expenses, to the Cost Auditors for the financial year 2025-26.

M/s. S. R. Bhargave & Co. have consented to act as the Cost Auditors of the Company for the financial year 2025-26 and have furnished a certificate confirming their eligibility for such appointment.

M/s. S. R. Bhargave & Co. is the firm of Cost Accountants, are in practice for more than 20 years, providing solutions in Indirect Taxes, consultancy in the area of Cost Reduction, Maintenance of Cost Records and Cost Audit, having large base of clients including corporate clients, MNCs, PSU, Public and Private Limited Companies working in various sector.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be subsequently ratified by the members of the Company.

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

The Board recommends the resolution set out at Item No. 4 of the Notice for approval of the members as an Ordinary Resolution.

### Item No. 5 & 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had, at their meeting held on August 2, 2025, approved the appointment of Mr. Udipt Agarwal (DIN: 11219144) as an Additional Director of the Company who holds office up to the date of the Forty-Fourth Annual General Meeting (the 'ensuing General Meeting') of the Company.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on August 2, 2025, considered and approved the appointment of Mr. Udipt Agarwal (DIN: 11219144) for a term of five consecutive years, in the capacity of –

- Whole-time Director with effect from September 5, 2025, to hold office up to October 31, 2025; and
- Managing Director, with effect from November 1, 2025, to September 4, 2030.

on such terms and conditions, including remuneration payable in the event of inadequate or no profits, subject to necessary approvals, sanctions, or permissions as set out herein:

#### A. Period of appointment:

- From September 5, 2025 to October 31, 2025, as a Whole-time Director and
- From November 1, 2025 to September 4, 2030 as a Managing Director

totaling a tenure of five years.

#### B. Remuneration and Perquisites

The Company shall pay Mr. Udipt Agarwal in consideration of his duties, salary and perquisites as detailed hereunder, with such annual increment as may be decided by the Board and Nomination and Remuneration Committee:

Salary and Perquisites	Yearly Amount (in ₹)
Basic Salary	1,02,00,000
HRA	40,80,000
Education Allowance	2,400
Canteen Subsidy	30,000
LTA	8,49,720
Medical Allowance	8,49,720
Professional Development Allowance	15,30,000
Other Allowance	41,99,940
<b>Gross</b>	<b>2,17,41,780</b>
Provident Fund	12,27,600
Bonus (10% of Basic Salary)	10,20,000
Retention Bonus (Payable on completion of 1 year)	10,20,000
Gratuity	4,90,620
<b>CTC</b>	<b>2,55,00,000</b>

In addition to the remuneration and perquisite as stated herein above, Mr. Udipt Agarwal (DIN: 11219144) shall be entitled to the following perquisites/benefits, as per Company's policy:

- i. Leave with full pay as per the rules of the Company.
- ii. Yearly encashment of leave during the tenure of employment as per the rules of the Company.
- iii. Personal Accident Insurance as per the rules of the Company.
- iv. Mediclaim Insurance as per the rules of the Company.
- v. Company's contribution to provident fund and gratuity fund as per the rules of the Company.
- vi. Provision of motor car as per the rules of the Company and reimbursement of driver's salary as per the policy of the Company.
- vii. Telephone: Free landline facility at residence and mobile phone facility, i.e., all charges including rentals, call and internet charges etc. shall be paid by the Company in full.
- viii. Retirement and other benefits, as per the rules of the Company.

The Board shall have the authority to alter or vary the terms of appointment and remuneration including commission and perquisites payable to Mr. Udipt Agarwal during his tenure with the Company within the overall limits specified in accordance with provisions of Section 197, Schedule V and all other applicable provisions of the Act and relevant Rules framed thereunder. However, in case of any material change(s) in the terms and conditions of his appointment, including remuneration, the Company would seek the approval of the members, as per the provisions of the Act/ Listing Regulations/all other applicable laws in force during the time of such material change(s).

### C. Commission

Commission as such percentage of the net profits of the Company computed in the manner laid down under Section 198 of the Companies Act, 2013 and relevant Rules framed thereunder.

The amount of commission will be based on his performance as evaluated and approved by the Board and the Nomination and Remuneration Committee, subject to maximum limit of ₹ 2 Crore/ annum.

### D. Minimum Remuneration

In the event of inadequate profits or no profits in any financial year during the tenure of Mr. Udipt Agarwal salary and allowances/ perquisites mentioned in paragraph B above, shall be the minimum remuneration payable to Mr. Udipt Agarwal subject to necessary approvals and other applicable provisions of the Act, and relevant Rules framed thereunder.

### E. Other terms and conditions

- i. Effective 1<sup>st</sup> November 2025, on taking over the role of Managing Director of the Company, Mr. Udipt Agarwal will be entrusted with substantial powers of management and shall work under the superintendence, control and direction of the Board. He shall have the powers of general conduct and management of business and affairs of the Company except in the matters which may be specifically required to be done by the Board either by the Act or by the Articles of Association of the Company.
- ii. During his employment with the Company, Mr. Udipt Agarwal shall devote such time and attention to the business and affairs of the Company as may be necessary and shall use his best endeavours to promote its interest and welfare.
- iii. Mr. Udipt Agarwal, so long as he functions during his employment shall not be paid any sitting fees for attending the meetings of the Board or any Committees thereof.
- iv. Mr. Udipt Agarwal would cease to be a director, ipso facto, on the employment with the Company getting ceased or terminated or determined.
- v. Either party shall be entitled to determine or terminate the Agreement by giving to the other advance notice of three months or by giving the basic salary for three months in lieu of the notice.

The aforesaid may be treated as details of the terms and conditions of the appointment and remuneration, including revision thereof, payable to Mr. Udipt Agarwal pursuant to Section 196 of the Act.

Pursuant to the provisions of the Companies Act, 2013, and Regulation 26A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any vacancy in the office of Managing Director shall be filled by the listed entity at the earliest and, in any case, not later than three months from the date of such vacancy.



Further, as per Regulation 17(1C) of the SEBI Listing Regulations, a listed entity shall ensure that the approval of shareholders for the appointment of a person on the Board of Directors is obtained at the next general meeting or within three months from the date of appointment, whichever is earlier.

The appointment of Mr. Udipt Agarwal as Managing Director, is expected to significantly benefit our company given his extensive experience in the chemical industry. Mr. Agarwal, is a strategic and performance-oriented business leader with over 30 years of experience across Asia, having successfully led and transformed operations for prominent US and European corporations. His proven expertise in launching and scaling ventures, executing business turnarounds, and driving sustainable growth through innovation and operational excellence aligns well with our company's long-term vision. Currently serving as Chief Commercial Officer at Alkyl Amines Chemicals Ltd, Mr. Agarwal oversees critical functions including business strategy, investments, P&L management, procurement, supply chain, marketing, and M&A.

Mr. Udipt Agarwal fulfils the core skills / expertise / competencies identified, and the criteria laid down by the Board in the Company's Nomination and Remuneration Policy for the appointment as a Director of the Company as required in the context of the Company's business and the sector it operates in. In the opinion of the Board, he fulfils the conditions for the aforesaid appointment and the same would be in the best interest of the Company taking into consideration his knowledge, background, experience and achievements.

A written notice has been received from a member of the Company under Section 160(1) signifying their intention to propose the appointment of Mr. Udipt Agarwal as a Director, who has given his consent and disclosures as required under the Companies Act, 2013, and the Rules made thereunder, to act as a Director of the Company, if appointed. He satisfies the eligibility criteria under Section 196 and Schedule V of the Act and also confirmed that he is not disqualified from being appointed as a Director in terms of the provisions of Sections 164(1) and 164(2) of the Companies Act, 2013, and that he is not debarred from holding the office of Director by any order passed by SEBI or any other authority.

Mr. Udipt Agarwal meets the core requirements outlined in the Company's Nomination and Remuneration Policy for the role of Managing Director. The Board believes that, given his

qualifications, industry knowledge, experience, and track record, his appointment aligns with the Company's strategic direction and is in its best interests.

Additional information required for the said appointment, as per Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2, is provided at the end of the Notice and forms an integral part of this report.

None of the directors and Key Managerial Personnel of the Company or their respective relatives are in anyway concerned or interested financially or otherwise, except Mr. Udipt Agarwal and his relative(s) to the extent of their shareholding interest, if any, are concerned or interested in the Resolution set out at Item no. 5 & 6 of this notice.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, considers the appointment of Mr. Udipt Agarwal as Managing Director in the interest of the Company and recommends the Ordinary resolution set out at Item No. 5 & 6 of the Notice for approval of the members.

#### **Item No. 7 & 8**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at their meeting held on August 2, 2025, approved the appointment of Mr. Rambabu Sanka (DIN: 11218997) as an Additional Director of the Company who holds office up to the date of the Forty-Fourth Annual General Meeting of the Company.

In accordance with the provisions of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to obtain shareholders' approval for such appointment at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Since this general meeting is scheduled within three months from the date of appointment, the resolution for shareholders' approval is proposed as above.

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on August 2, 2025, considered and approved the appointed Mr. Rambabu Sanka, as a Whole-time Director designated as Director - Technical for a term of 5 (five) years with effect from August 2, 2025 on the terms and conditions including remuneration to be paid in case of inadequate profits or no profits in the manner set out hereinbelow, subject to necessary approvals, sanctions or permissions.

The main terms and conditions of the appointment and remuneration payable to him are as under:

#### A. Period of appointment:

For a term of five years effective from August 2, 2025 to August 1, 2030 as a Whole-time Director designated as Director - Technical.

#### B. Remuneration and Perquisites:

The Company shall pay Mr. Rambabu Sanka in consideration of his duties, salary and perquisites as detailed hereunder, with such annual increment as may be decided by the Board and/ or Nomination and Remuneration Committee:

Salary and Perquisites	Yearly Amount (in ₹)
Basic Salary	50,00,040
HRA	6,60,000
Education Allowance	2,400
Canteen Subsidy	30,000
LTA	4,16,520
Medical Allowance	4,16,520
Professional Development Allowance	7,50,012
Other Allowance	33,80,400
<b>Gross</b>	<b>1,06,55,892</b>
Provident Fund	6,03,600
Bonus (10% of Basic Salary)	5,00,004
Retention Bonus (Payable on completion of 1 year)	5,00,004
Gratuity	2,40,504
<b>CTC</b>	<b>1,25,00,000</b>

In addition to the remuneration and perquisite as stated above, Mr. Rambabu Sanka shall be entitled to the following perquisites/benefits as per policy of the Company:

- Leave with full pay as per the rules of the Company.
- Yearly encashment of leave during the tenure of employment as per the rules of the Company.
- Personal Accident Insurance as per the rules of the Company.
- Mediclaim Insurance as per the rules of the Company.

- Company's contribution to provident fund and gratuity fund as per the rules of the Company.
- Provision of motor car as per the rules of the Company and reimbursement of driver's salary as per the policy of the Company.
- Telephone: Free landline facility at residence and mobile phone facility, i.e., all charges including rentals, call and internet charges etc. shall be paid by the Company in full.
- Retirement and other benefits, as per the rules of the Company.

The Board shall have the authority to alter or vary the terms of appointment and remuneration including commission and perquisites payable to Mr. Rambabu Sanka during his tenure with the Company within the overall limits specified in accordance with provisions of Section 197, Schedule V and other applicable provisions of the Act and relevant Rules framed thereunder. However, in case of any material change(s) in the terms and conditions of his appointment, including remuneration, the Company would seek the approval of the members, as per the provisions of the Act/ Listing Regulations/all other applicable laws in force during the time of such material change(s).

#### C. Commission:

Commission as such percentage of the net profits of the Company computed in the manner laid down under Section 198 of the Companies Act, 2013 and relevant Rules framed thereunder.

The amount of commission will be based on his performance as evaluated and approved by the Board and the Nomination and Remuneration Committee, subject to maximum limit of ₹ 1 Crore/ annum.

#### D. Minimum Remuneration:

In the event of inadequate profits or no profits in any financial year during the tenure of the agreement entered into by the Company with Mr. Rambabu Sanka, the salary and allowances/ perquisites mentioned in paragraph B above, shall be the minimum remuneration payable to Mr. Rambabu Sanka subject to necessary approvals and other applicable provisions of the Act, and relevant rules framed thereunder.

#### E. Other terms and conditions:

- i. During his employment with the Company, Mr. Rambabu Sanka shall devote such time and attention to the business and affairs of the Company as may be necessary and shall use his best endeavours to promote its interest and welfare.
- ii. Mr. Rambabu Sanka, so long as he functions as a Whole-Time Director designated as Director - Technical shall not be paid any sitting fees for attending the meetings of the Board or any Committees thereof
- iii. Mr. Rambabu Sanka would cease to be a director, ipso facto, on the employment with the Company getting ceased or terminated or determined.
- iv. Either party shall be entitled to determine or terminate the Agreement by giving to the other advance notice of three months or by giving the basic salary for three months in lieu of the notice.

The aforesaid may be treated as details of the terms and conditions of the appointment and remuneration, including revision thereof, payable to Mr. Rambabu Sanka as a Whole-Time Director designated as Director - Technical of the Company pursuant to Section 196 of the Act.

Mr. Rambabu Sanka fulfils the core skills / expertise / competencies identified, and the criteria laid down by the Board in the Company's Nomination and Remuneration Policy for the appointment as a Director of the Company as required in the context of the Company's business and the sector it operates in. In the opinion of the Board, he fulfils the conditions for the aforesaid appointment and the same would be in the best interest of the Company taking into consideration his knowledge, background, experience and achievements.

A written notice has been received from a member of the Company signifying their intention to propose the appointment of Mr. Rambabu Sanka as a Director, who has given his consent and disclosures as required under the Companies Act, 2013, and the rules made thereunder, to act as a Director of the Company, if appointed. He satisfies

the eligibility criteria under Section 196 and Schedule V of the Act and also confirmed that he is not disqualified from being appointed as a Director in terms of the provisions of Sections 164(1) and 164(2) of the Companies Act, 2013, and that he is not debarred from holding the office of Director by any order passed by SEBI or any other authority.

Additional information regarding the appointment of Mr. Rambabu Sanka as an Additional Director, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings is provided at the end of the Notice and forms part of this report.

Except for Mr. Rambabu Sanka and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel, or their relatives are, in any way, financially or otherwise concerned or interested in the resolution set out at Item No. 7 & 8 of the Notice.

The Board recommends the resolution set out at Item No. 7 & 8 for approval of the Members.

#### Item No. 9

Pursuant to recent amendments to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a listed entity is required to appoint a Secretarial Audit firm for up to two terms of five consecutive years, subject to Members approval at the Annual General Meeting.

The Board of Directors, at its meeting held on August 2, 2025, has recommended the appointment of M/s. SVD & Associates, Company Secretaries (Peer review No. 6357/2025), as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Companies Act, 2013, and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a term of 5 (Five) consecutive years, to conduct the Secretarial Audit of the Company from the Financial Year 2025-26 to Financial Year 2029-30. subject to approval by the Members at this Annual General Meeting.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

S.N.	Particulars	Details
1.	Proposed Secretarial Auditors	The Board has recommended the appointment of M/s. SVD & Associates, Practicing Company Secretaries.
2.	Basis of Recommendation	M/s. SVD & Associates, is a firm of Practicing Company Secretaries established in the year 2002, primarily engaged in providing Secretarial Audit, Governance, Compliance Management and other Assurance services. The Firm has experience in handling the secretarial audits of listed and large unlisted companies. The Firm holds Peer Review Certificate No. 6357/2025 issued by the Peer Review Board of the Institute of Company Secretaries of India. The Board believes that their experience of conducting Secretarial Audit of listed companies and large unlisted companies, and knowledge of the legal and regulatory framework will be invaluable to the Company in ensuring continued adherence to compliance requirements under the Companies Act, 2013, Securities and Exchange Board of India Act, 1992 and other applicable laws. The recommendation for the appointment of M/s. SVD & Associates as Secretarial Auditors is based on their past track record and capabilities in delivering quality secretarial audit services to other companies of similar size and complexity.
3.	Credentials of Proposed Secretarial Auditors	M/s. SVD & Associates (Firm Unique Code: P2013MH031900) is a firm of Company Secretaries in Practice and holding Peer Review Certificate No. 6357/2025 issued by the Peer Review Board of the Institute of Company Secretaries of India and has confirmed their eligibility to be appointed as the Secretarial Auditors for the term of 5 (Five) years
4.	Term of Appointment	5 (five) consecutive years, to conduct the Secretarial Audit of the Company from the Financial Year 2025-26 to Financial Year 2029-30.
5.	Proposed Fees	₹ 4,50,000 per annum plus applicable taxes and reimbursement of other out-of-pocket expenses actually incurred in connection with the Secretarial Audit of the Company.

The Company has received a consent letter from M/s. SVD & Associates, confirming their willingness to undertake the Secretarial Audit and issue the Secretarial Audit Report in accordance with Section 204 of the Act along with other applicable provisions, if any, under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

M/s. SVD & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by M/s. SVD & Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

None of the Directors, Key Managerial Personnel, Manager of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 9 of the Notice.

The Board recommends the resolution set forth in item No. 9 of the Notice for approval of the Members as an Ordinary Resolution.

By Order of the Board of Directors  
For **Finolex Industries Limited**

Sd/-  
**Dakshinamurthy Iyer**  
Company Secretary & Head Legal  
M No.: A13004

**Place:** Pune  
**Date:** August 2, 2025

**Additional information of the Directors seeking appointment/re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings (SS-2)**



**Mrs. Ritu Prakash Chhabria (DIN: 00062144)**

**a) Brief resume**

Mrs. Ritu Prakash Chhabria, 58, holds a double major in Economics and Marketing from Richmond College, London and also holds a degree in Public Relations. She was co-opted as a director of the Company with effect from March 21, 2015. She is the Managing Trustee of Mukul Madhav Foundation, the CSR partner of the Company. She looks after the day-to-day activities of the Mukul Madhav Foundation.

**b) Nature of her expertise in specific functional areas**

In 1999, Mrs. Ritu Prakash Chhabria established Mukul Madhav Foundation to channelize social welfare programmes. She has been instrumental in providing assistance in the field of health care, education, social & community welfare and sanitation to the economically and socially underprivileged sections of the society to improve their quality of life.

**c) Disclosure of relationships between directors inter-se**

Mrs. Ritu Chhabria is the spouse of Mr. Prakash Chhabria, Executive Chairman of the Company and also part of the Promoters' Group.

**d) Names of other entities in which the person also holds directorship and the membership of Committees of the board of directors**

Mrs. Ritu Prakash Chhabria is a member of Corporate Social Responsibility Committee of the Company. She does not hold any directorship or committee membership in any other listed company.

**e) Name of listed entities from which the person has resigned in the past three Years**

Nil

**f) Shareholding in the Company including shareholding as a beneficial owner**

Mrs. Ritu Prakash Chhabria holds 22,250 equity shares of the Company.

**\*Note:** For other details such as number of meetings of the board attended during the year, remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.



**Mr. Udipt Agarwal (DIN: 11219144)**

**a) Brief resume**

Mr. Udipt Agarwal, 56, is a strategic and performance-driven business leader with over three decades of experience across Asia, having successfully led and transformed businesses for leading US and European companies. He has a proven track record in launching and scaling new ventures, executing turnarounds, and driving sustainable growth through innovation and operational excellence. Currently serving as Chief Commercial Officer at Alkyl Amines Chemicals Ltd, he oversees business strategy, investments, and P&L management, while leading procurement, supply chain, marketing, and M&A initiatives.

Prior to this, he had a distinguished career at Cargill Bio Industrial, where he established the India business and later led the Asia region, expanding into 10 countries and integrating post-acquisition operations. His earlier tenure at BASF spanned various leadership roles in India and Hong Kong, contributing significantly to business development, market expansion, and team building across multiple segments.

Mr. Udipt Agarwal holds a B.Tech. in Chemical Technology from H.B. Technological Institute, Kanpur, and has completed executive education in Strategic Business Leadership from INSEAD.

**b) Nature of his expertise in specific functional areas**

Strategic planning and execution, business growth and transformation, value innovation, and post-merger integration.

**c) Disclosure of relationships between directors inter-se**

None of the directors are related to Mr. Udipt Agarwal.

**d) Names of other entities in which the person also holds the directorship and the membership of Committees of the board of directors**

Mr. Udipt Agarwal does not hold any directorship nor holds chairmanship / membership in any Committees of the Company or in any other Company.

**e) Name of listed entities from which the person has resigned in the past three Years**

Nil

**f) Shareholding in the Company including shareholding as a beneficial owner**

Mr. Udipt Agarwal does not hold any equity shares of the Company.

**g) Key terms and conditions of appointment and remuneration proposed to be paid**

As per the resolution at Item Nos.5 & 6 of this notice read with explanatory statement thereto.





**Mr. Rambabu Sanka (DIN: 11218997)**

**a) Brief resume**

Mr. Rambabu Sanka, 63, holds a Master of Technology in Chemical Engineering from the Indian Institute of Technology, Mumbai. He also holds a Bachelor of Technology in Chemical Engineering from Andhra University and a Post graduate Certificate in Fundamentals of Senior Management from the Open University, United Kingdom.

He is currently serving as President-Technical and Senior Management Personnel of the Company from 3<sup>rd</sup> March, 2025. In this capacity, he oversees the plant operations and functions of the Company.

Mr. Rambabu Sanka is a Senior Executive with 39 years of comprehensive experience in the Chemical Manufacturing Sector, including 31 years dedicated to VCM/PVC production. His expertise encompasses leadership in technical services, process optimization, debottlenecking, and the management of large-scale plant expansions and operations. He has a proven track record in the commissioning of advanced chemical facilities, enhancing operational efficiency, and achieving significant increases in production. He is skilled in production planning, budgeting, variance analysis, and managing shutdowns and turnarounds, all while prioritizing safety and operational continuity.

In his prior positions, he has overseen VCM and PVC manufacturing operations (INEOS Technology), serving as Vice President with Reliance Industries Limited, and held the role of Executive Vice President, Technical Services at TCI Sanmar Chemicals S.A.E.

**b) Nature of his expertise in specific functional areas**

Expert in chemical and petrochemical field and general business administration.

**c) Disclosure of relationships between directors inter-se**

None of the directors are related to Mr. Rambabu Sanka.

**d) Names of other entities in which the person also holds the directorship and the membership of Committees of the board of directors**

Mr. Rambabu Sanka does not hold any directorship nor holds chairmanship / membership in any Committees of the Company or in any other Company.

**e) Name of listed entities from which the person has resigned in the past three Years**

Nil

**f) Shareholding in the Company including shareholding as a beneficial owner**

Mr. Rambabu Sanka does not hold any equity shares of the Company.

**g) Key terms and conditions of appointment and remuneration proposed to be paid**




















As per the resolution at Item Nos. 7 & 8 of this notice read with explanatory statement thereto.

**Place:** Pune  
**Date:** August 2, 2025

By Order of the Board of Directors  
For **Finolex Industries Limited**

Sd/-  
**Dakshinamurthy Iyer**  
Company Secretary & Head Legal  
M No.: A13004

A moment of gratitude fills us as we celebrate 10 years with Mukul Madhav Foundation, marking countless lives touched and transformed. Since 2014, CSR has been a heartfelt responsibility for us, rooted in the ethos of our founder Late Shri Pralhad P. Chhabria. Together, we have undertaken over 500 initiatives aligned with the 17 Sustainable Development Goals, impacting education, water accessibility, public health, pandemic relief & more. This milestone stands as a testament to the unwavering dedication and collective efforts of every member at Mukul Madhav Foundation, Finolex Industries Limited, and our esteemed partners. Together, we remain inspired to continue expanding our impact and building a better tomorrow.

<p><b>1. Livelihoods for Rural Women</b></p> <p>To strengthen the economic resilience of rural women, livestock such as sheep are distributed to them, enabling sustainable livelihoods. This initiative not only offers a source of regular income and promotes women's financial independence.</p> <div>    </div>	<p><b>2. Saving Young Lives</b></p> <p>Critical interventions in pediatric healthcare are supported by providing lifesaving medical equipment to NICUs, heart surgeries and treatments for children in need. These efforts ensure timely and effective healthcare services, improving recovery outcomes and the overall well-being of young patients.</p> <div>  </div>	<p><b>3. Dignity in Crisis</b></p> <p>Relief and dignity kits are distributed to underserved families, especially women, to support them during times of hardship or crisis. These kits are designed to restore a sense of dignity while meeting essential hygiene and daily living needs.</p> <div>  </div>
<p><b>4. Rapid Flood Relief</b></p> <p>In response to natural disasters such as floods, timely relief materials are distributed to affected communities. This includes food, clothing, and hygiene supplies, helping families recover and rebuild with greater resilience.</p> <div>   </div>	<p><b>5. Coastal Cleanup for a Cleaner Tomorrow</b></p> <p>Community-led coastal clean-up drives are organized to reduce marine pollution and promote environmental awareness. These initiatives encourage public participation in protecting our oceans and help preserve marine biodiversity.</p> <div>  </div>	<p><b>6. Building Community Infrastructure</b></p> <p>Infrastructure projects such as hospitals, schools, and sanitation blocks are supported to strengthen community facilities. These developments improve access to essential services and foster a healthier, more educated, and empowered society.</p> <div>  </div>
<p><b>7. Cricket for Unity and Inclusion</b></p> <p>Sports events involving international collaboration, such as cricket matches, are organized to encourage youth participation, promote harmony and inclusion. These events serve as a platform for cultural exchange and foster values of teamwork and respect.</p> <div>  </div>	<p><b>8. Holistic Rural Education</b></p> <p>Holistic education is made accessible to children in rural areas through the establishment of Mukul Madhav Vidyalaya. The school focuses on overall development, combining academics with co-curricular learning in a nurturing environment.</p> <div>  </div>	<p><b>9. Fruitful Futures</b></p> <p>To enhance agricultural productivity and nutritional security, fruit-bearing saplings are distributed to farmers and families. This initiative not only contributes to food diversity and income generation but also supports ecological balance.</p> <div>    </div>
<p><b>10. Safe Water, Healthy Learning</b></p> <p>Access to clean drinking water is ensured in schools by installing water purification systems and refilling stations. This initiative supports good hygiene, reduces absenteeism, and promotes better health among students.</p> <div>  </div>	<p><b>11. Pedal to Education</b></p> <p>To bridge the gap in education access for rural schoolgirls, bicycles are provided to help them commute safely and regularly to school. This initiative plays a vital role in improving school attendance and academic performance while empowering young girls to pursue their aspirations with confidence.</p> <div>   </div>	<p><b>12. Industry Exposure for Youth</b></p> <p>Facilitating industry exposure visits for students and aspiring youth allows them to witness firsthand the operations, safety protocols, and skills required in factory environments. These visits enhance their understanding of real-world industries and contribute to skill development and future employability.</p> <div>   </div>



# Finolex Industries Limited

## CORPORATE OFFICE

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